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**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA - SAN FRANCISCO DIVISION**

IN RE TFT-LCD (FLAT PANEL)  
ANTITRUST LITIGATION

This Document Relates to  
Case No. 09-cv-5840-SI

MOTOROLA, INC.,  
Plaintiff,

v.

AU OPTRONICS CORPORATION; AU  
OPTRONICS CORPORATION AMERICA,  
INC.; CHI MEI CORPORATION; CHI MEI  
OPTOELECTRONICS CORPORATION; CHI  
MEI OPTOELECTRONICS USA, INC.; CMO  
JAPAN CO. LTD.; NEXGEN MEDIATECH,  
INC.; NEXGEN MEDIATECH USA, INC.;  
CHUNGHWA PICTURE TUBES LTD.;  
TATUNG COMPANY OF AMERICA, INC.;  
HANNSTAR DISPLAY CORPORATION; LG  
DISPLAY CO. LTD.; LG DISPLAY  
AMERICA, INC.; SAMSUNG  
ELECTRONICS CO., LTD.; SAMSUNG  
SEMICONDUCTOR, INC.; SAMSUNG  
ELECTRONICS AMERICA, INC.; SHARP  
CORPORATION; SHARP ELECTRONICS  
CORPORATION; TOSHIBA  
CORPORATION; TOSHIBA AMERICA  
ELECTRONICS COMPONENTS, INC.;  
TOSHIBA MOBILE DISPLAY CO., LTD.;  
TOSHIBA AMERICA INFORMATION  
SYSTEMS, INC.; EPSON IMAGING  
DEVICES CORPORATION; EPSON  
ELECTRONICS AMERICA, INC.,

Defendants.

MASTER FILE NO. 07-m-1827 SI  
CASE NO. 09-cv-5840 SI  
MDL NO. 1827

**AMENDED COMPLAINT FOR  
DAMAGES AND INJUNCTIVE  
RELIEF**

- (1) VIOLATION OF THE SHERMAN  
ACT PURSUANT TO 15 U.S.C. § 1
- (2) VIOLATION OF THE  
CARTWRIGHT ACT, CALIFORNIA  
BUSINESS AND PROFESSIONAL  
CODE § 16720
- (3) VIOLATION OF THE ILLINOIS  
ANTITRUST ACT, 740 ILLINOIS CODE  
10/3
- (4) VIOLATION OF THE ANTITRUST  
AND UNFAIR COMPETITION LAWS  
OF ARIZONA, CALIFORNIA, THE  
DISTRICT OF COLUMBIA, HAWAII,  
IOWA, KANSAS, MICHIGAN,  
MINNESOTA, NEBRASKA, NEVADA,  
NEW MEXICO, NEW YORK, NORTH  
CAROLINA, PUERTO RICO,  
TENNESSEE, AND WISCONSIN

**DEMAND FOR JURY TRIAL**

1 Plaintiff Motorola, Inc., for its complaint against defendants AU Optronics Corporation,  
2 AU Optronics Corporation America, Inc, Chi Mei Corporation, Chi Mei Optoelectronics  
3 Corporation, Chi Mei Optoelectronics USA, Inc., CMO Japan Co. Ltd., Nexgen Mediatech, Inc.,  
4 Nexgen Mediatech USA, Inc., Chunghwa Picture Tubes Ltd., Tatung Company of America, Inc.,  
5 Hannstar Display Corporation, LG Display Co. Ltd., LG Display America, Inc., Samsung  
6 Electronics Co., Ltd., Samsung Semiconductor, Inc., Samsung Electronics America, Inc., Sharp  
7 Corporation, Sharp Electronics Corporation, Toshiba Corporation, Toshiba America Electronics  
8 Components, Inc., Toshiba Mobile Display Co., Ltd., Toshiba America Information Systems,  
9 Inc., Epson Imaging Devices Corporation, and Epson Electronics America, Inc. hereby alleges as  
10 follows:

11 **A. INTRODUCTION**

12 1. Motorola, Inc., brings this action on behalf of itself and its affiliates, including  
13 Motorola Asia Limited, Motorola (China) Investment Limited, Hangzhou Motorola Cellular  
14 Equipment Co. Ltd., Motorola (China) Electronics Limited, Motorola Electronics Pte. Ltd.,  
15 Motorola Trading Center Pte. Ltd. (collectively “Motorola”) to recover damages incurred as a  
16 result of a long-running conspiracy by suppliers of liquid crystal display panels (“LCD Panels”).

17 2. From at least January 1, 1996 through at least December 11, 2006 (“the  
18 Conspiracy Period”), defendants and their co-conspirators conspired with the purpose and effect  
19 of fixing, raising, stabilizing, and maintaining prices for LCD Panels. Defendants and their co-  
20 conspirators sold LCD Panels at unlawfully inflated prices to Motorola in the United States and  
21 around the world.

22 3. By communications and meetings in which defendants agreed to eliminate  
23 competition and fix prices for LCD Panels, defendants and their co-conspirators illegally  
24 restricted competition in the LCD Panel market in the United States and elsewhere. During the  
25 Conspiracy Period, the conspiracy affected billions of dollars of commerce throughout the  
26 United States.

27 4. At least five LCD Panel manufacturers have admitted in criminal proceedings to  
28 participating in this conspiracy: defendants LG Display Co. Ltd. (and its wholly-owned

1 subsidiary, LG Display America, Inc.), Sharp Corporation, Chunghwa Picture Tubes, Ltd.,  
2 Epson Imaging Devices Corporation, and Chi Mei Optoelectronics Corporation. On or about  
3 November 12, 2008, LG Display Co. Ltd., LG Display America, Inc., Sharp Corporation and  
4 Chunghwa Picture Tubes, Ltd. agreed to plead guilty and pay a total of \$565 million in criminal  
5 fines for their roles in the conspiracy to fix the price of LCD Panels. On or about August 25,  
6 2009, Epson Imaging Devices Corporation agreed to plead guilty and pay a \$26 million criminal  
7 fine for its role in the conspiracy to fix the price of LCD Panels. And on or about December 9,  
8 2009, Chi Mei Optoelectronics Corporation agreed to plead guilty and pay a \$220 million  
9 criminal fine for its role in the conspiracy.

10         5. In their respective pleas, Sharp and Epson specifically identified Motorola as a  
11 customer that was overcharged for LCD Panels. Sharp admitted to targeting Motorola (and other  
12 U.S. companies) and overcharging Motorola for LCD Panels it purchased. Epson also admitted  
13 to targeting Motorola and overcharging Motorola for LCD Panels it purchased. Both Sharp and  
14 Epson further admitted that acts committed in furtherance of its conspiracy were carried out in  
15 the United States.

16         6. Motorola brings this action to recover damages resulting from its LCD Panel  
17 purchases made during the Conspiracy Period. Defendants' and their co-conspirators'  
18 conspiracy raised the price of LCD Panels above the price that would have prevailed in a  
19 competitive market. During the Conspiracy Period, hundreds of millions of Motorola's products,  
20 such as mobile wireless handsets and two-way radios, contained LCD Panels. Motorola thus  
21 suffered damages as a result of defendants' and their co-conspirators' conspiracy, and is entitled  
22 to treble damages and injunctive relief to remedy these injuries.

23         7. Motorola brings this action seeking federal injunctive relief under Section 16 of  
24 the Clayton Act, 15 U.S.C. § 26, for violations of Section 1 of the Sherman Act, 15 U.S.C. § 1.  
25 Motorola also seeks to recover damages under Section 4 of the Clayton Act, and under state  
26 antitrust, consumer protection, unfair trade, and deceptive trade practices laws. Motorola also  
27 seeks to recover the costs of suit, including reasonable attorneys' fees. These damages, costs,  
28

1 and fees are for the injuries that Motorola suffered as a result of the defendants' and their co-  
2 conspirators' conspiracy to fix, raise, maintain and stabilize the prices of LCD Panels.

3 **B. JURISDICTION AND VENUE**

4 8. Motorola brings this action under Section 1 of the Sherman Act, 15 U.S.C. § 1,  
5 and Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15, 26, to obtain treble damages and  
6 injunctive relief against all defendants.

7 9. Motorola also brings this action pursuant to Section 16750(a) of the California  
8 Business and Professions Code, for injunctive relief and treble damages that Motorola sustained  
9 due to defendants' and their co-conspirators' violation of Section 16700 *et seq.* of the California  
10 Business and Professions Code (the "Cartwright Act"). Motorola's claims also are brought  
11 pursuant to Sections 17203 and 17204 of the California Business and Professions Code, to obtain  
12 restitution from and an injunction against defendants due to their violations of Section 17200 *et*  
13 *seq.* of the California Business and Professions Code (the "Unfair Competition Act").

14 10. Defendants engaged in conspiratorial conduct both within and outside the United  
15 States, with Defendants' conduct in the United States centered in California. Defendants LG  
16 Display Co. Ltd., LG Display America, Inc., Sharp Corporation, Chunghwa Picture Tubes, Ltd.,  
17 and Epson Imaging Devices Corporation all admitted during their plea hearings that acts in  
18 furtherance of the conspiracy were carried out within California. In their respective Plea  
19 Agreements, LG Display Co. Ltd. (and its wholly-owned subsidiary, LG Display America, Inc.),  
20 Sharp Corporation, Chunghwa Picture Tubes, Ltd., and Epson Imaging Devices Corporation  
21 each agreed that: "Acts in furtherance of this conspiracy were carried out within the Northern  
22 District of California. TFT-LCD affected by this conspiracy was sold by one or more of the  
23 conspirators to customers in this District." Case 3:08-cr-00803, Document 10-1 at 4; Case 3:08-  
24 cr-00802, Document 9-1 at 5; Case 3:08-cr-00804, Document 10-1 at 4; Case 3:09-cr-00854,  
25 Document 15-1 at 4. Defendant LG Display America, Inc., which admitted to participating in  
26 the conspiracy, maintains its principal place of business in San Jose, California. Similarly,  
27 defendants Chunghwa Picture Tubes, Ltd., Epson Imaging Devices Corporation, and Chi Mei  
28 Optoelectronics Corporation, which also admitted to participating in the conspiracy, used

1 California corporations with principal places of business in Long Beach, California (defendants  
2 Tatung Company of America, Inc., Epson Electronics American, Inc., and Chi Mei  
3 Optoelectronics USA, Inc. respectively), as their sales agents in the United States for LCD  
4 Products containing LCD Panels which were affected by the conspiracy. Many of the other  
5 defendants also maintained offices and operations in California during the Conspiracy Period,  
6 including AU Optronics Corporation America, Inc., Nexgen Mediatech USA, Inc., Samsung  
7 Semiconductor, Inc., Toshiba America Electronic Components, Inc., and Toshiba America  
8 Information Systems, Inc. Communications in furtherance of the conspiracy occurred within  
9 California and between California and other states.

10 11. Motorola also brings this action pursuant to the Illinois Antitrust Act, 740 Illinois  
11 Code 10/1 *et seq*, for injunctive relief and damages that Motorola sustained due to defendants'  
12 and their co-conspirators' violation of Section 3 of the Illinois Antitrust Act (the "Illinois  
13 Antitrust Law"). With its headquarters and substantial operations in Illinois, Motorola is  
14 entitled to the protection of the Illinois Antitrust Law.

15 12. Motorola also brings this action pursuant to the antitrust and unfair competition  
16 laws of Arizona, the District of Columbia, Hawaii, Iowa, Kansas, Michigan, Minnesota,  
17 Nebraska, Nevada, New Mexico, New York, North Carolina, Puerto Rico, Tennessee, and  
18 Wisconsin, as well as the Unfair Competition Law of California. As a nationwide corporation  
19 with operations in all of these states during the relevant period, Motorola is entitled to the  
20 protection of the antitrust and unfair competition laws of each of the above-mentioned states.

21 13. Pursuant to 28 U.S.C. §§ 1331 and 1337, the Court has jurisdiction over  
22 Motorola's claims under Section 1 of the Sherman Act and Sections 4 and 16 of the Clayton Act.

23 14. Pursuant to 28 U.S.C. §1367, the Court has supplemental jurisdiction over  
24 Motorola's claims under the Cartwright Act and, in the alternative, under the Illinois Antitrust  
25 Law and the other state antitrust and unfair competition laws set forth below. These state law  
26 claims are so related to Motorola's claims under Section 1 of the Sherman Act and Sections 4  
27 and 16 of the Clayton Act that they form part of the same case or controversy.  
28

1           15.     The activities of defendants and their co-conspirators, as described herein,  
2 involved U.S. import trade or commerce and/or were within the flow of, were intended to, and  
3 did have a direct, substantial, and reasonably foreseeable effect on U.S. domestic and import  
4 trade or commerce. In particular, defendants' and their co-conspirators' conspiracy directly and  
5 substantially affected the price of LCD Panels and products which contained LCD Panels ("LCD  
6 Products") purchased in the United States. These effects give rise to Motorola's antitrust claims.

7           16.     The activities of defendants and their co-conspirators, as described herein, were  
8 within the flow of, were intended to, and did have a direct and substantial effect on commerce in  
9 Arizona, California, the District of Columbia, Hawaii, Illinois, Iowa, Kansas, Michigan,  
10 Minnesota, Nebraska, Nevada, New Mexico, New York, North Carolina, Puerto Rico,  
11 Tennessee, and Wisconsin. In particular, defendants' and their co-conspirators' conspiracy  
12 directly and substantially affected the price of LCD Panels and LCD Products purchased in these  
13 states. These effects also give rise to Motorola's antitrust claims. Motorola maintained  
14 operations in these states during the Conspiracy Period.

15           17.     This court has jurisdiction over each defendant named in this action under both  
16 Section 12 of the Clayton Act, 15 U.S.C. § 22, and section 2-209 of the Illinois Code of Civil  
17 Procedure, 735 Illinois Code 5/2-209. Each defendant conducts substantial business in Illinois,  
18 as well as in Arizona, California, the District of Columbia, Hawaii, Iowa, Kansas, Michigan,  
19 Minnesota, Nebraska, Nevada, New Mexico, New York, North Carolina, Puerto Rico,  
20 Tennessee, and Wisconsin. In addition, defendants and their co-conspirators purposely availed  
21 themselves of the laws of the United States and the identified states insofar as they manufactured  
22 LCD Panels for sale in the United States, including Illinois and the other identified states, or  
23 which were incorporated into LCD Products defendants and their co-conspirators knew would be  
24 sold to customers in the United States and Illinois and the identified states. Defendants' and  
25 their co-conspirators' conspiracy affected this commerce in LCD Panels and LCD Products in  
26 the United States and in Arizona, California, the District of Columbia, Hawaii, Illinois, Iowa,  
27 Kansas, Michigan, Minnesota, Nebraska, Nevada, New Mexico, New York, North Carolina,  
28 Puerto Rico, Tennessee, and Wisconsin.

1           18.     Venue is proper in the Northern District of Illinois under Section 12 of the  
2 Clayton Act, 15 U.S.C. § 22, and 28 U.S.C. § 1391, because each defendant is either an alien  
3 corporation, transacts business in this District, or is otherwise found within this District. In  
4 addition, venue is proper in this District under 28 U.S. §1391 because a substantial part of the  
5 events or omissions giving rise to this claim occurred in this district. Defendants and their co-  
6 conspirators knew that price-fixed LCD Panels and LCD Products containing price-fixed LCD  
7 Panels would be sold and shipped into this District.

8           **C.     DEFINITIONS**

9           19.     “LCD Panel” means liquid crystal display panel. LCD Panels use glass plates  
10 and a liquid crystal compound to electronically display an image, for applications such as the  
11 display screens of mobile wireless handsets. The technology involves sandwiching a liquid  
12 crystal compound between two glass plates called “substrates.” The resulting screen contains  
13 hundreds or thousands of electrically charged dots, or pixels, that form an image. During the  
14 Conspiracy Period, LCD Panels used in handheld devices included three different technologies:  
15 thin film transistor panels (“TFT panels”), color super-twist nematic panels (“CSTN panels”),  
16 and monochrome super-twist nematic panels (“MSTN panels”). The defendants’ and their co-  
17 conspirators’ price fixing conspiracy alleged herein had the effect of raising, fixing, maintaining,  
18 and/or stabilizing the prices of LCD Panels using TFT, CSTN, and MSTN technology in LCD  
19 Products, including mobile wireless handsets and two-way radios.

20           20.     As used herein, the term “OEM” means any original equipment manufacturer of  
21 an LCD Product.

22           21.     As used herein, the term “ODM” means any original design manufacturer of an  
23 LCD Product.

24           22.     As used herein, the term “EMS provider” means any electronics manufacturing  
25 services provider of an LCD Product.

1           **D.     THE PARTIES**

2                   **1.     Motorola**

3           23.     Motorola, Inc., plaintiff, is a Delaware corporation with its principal place of  
4 business in Schaumburg, Illinois. Motorola is a leading manufacturer of mobile wireless  
5 devices, creating the first commercial handheld cellular phone in 1983.

6           24.     Motorola Asia Limited, Motorola (China) Investment Limited, Hangzhou  
7 Motorola Cellular Equipment Co. Ltd., Motorola (China) Electronics Limited, Motorola  
8 Electronics Pte. Ltd., Motorola Trading Center Pte. Ltd. are subsidiaries of Motorola, Inc. These  
9 companies suffered injury as a result of defendants' antitrust violations. Each has assigned to  
10 Motorola, Inc., all of its rights, title, and interest in and to all claims, demands, and causes of  
11 action arising out of or relating to the conduct and transactions that are the subject of this action.  
12 Motorola, Inc., has accepted these assignments and assumed all of the rights and liabilities  
13 related to these assigned claims.

14           25.     During the Conspiracy Period, the domestic U.S. and worldwide purchasing  
15 process at Motorola was managed and overseen by a supply chain organization, including  
16 procurement and manufacturing teams, based in Motorola's northern Illinois operations. From  
17 its Illinois headquarters, Motorola directed and approved the prices and quantities of LCD Panels  
18 purchased throughout the world and incorporated into Motorola mobile wireless devices and  
19 two-way radios. These procurement and manufacturing teams based in the United States were  
20 also responsible for all phases of procurement of LCD panels, including at various times,  
21 evaluating, qualifying, and selecting LCD Panel suppliers, drafting requests for quotes for LCD  
22 Panels, negotiating agreements with LCD Panel suppliers, coordinating purchases of LCD Panels  
23 to meet worldwide production goals, overseeing quality control, and managing stocks of LCD  
24 Panels.

25           26.     Motorola also negotiated LCD Panel prices with Defendants on behalf of its  
26 ODMs and EMS providers who assembled mobile devices for delivery to Motorola. The price of  
27 those LCD Panels was likewise artificially-elevated, causing damage to Motorola.  
28

1           27. Defendants’ and their co-conspirators’ price-fixing was the proximate cause of  
2 Motorola and its affiliates paying artificially-elevated prices for LCD Panels delivered  
3 throughout the United States and around the world.

4                   **2. Defendants**

5                           **a. AU Optronics**

6           28. Defendant AU Optronics Corporation is one of the largest manufacturers of LCD  
7 Panels. Its corporate headquarters are at No. 1, Li-Hsin Rd. 2, Hsinchu Science Park, Hsinchu  
8 30078, Taiwan. During the Conspiracy Period, AU Optronics Corporation manufactured,  
9 marketed, sold and/or distributed LCD Panels and/or LCD Products throughout the United States  
10 and elsewhere.

11           29. Defendant AU Optronics Corporation America, Inc., is a wholly-owned and  
12 controlled subsidiary of defendant AU Optronics Corporation. Its corporate headquarters are at  
13 9720 Cypresswood Drive, Suite 241, Houston, Texas. It also has facilities located in San Diego  
14 and Cupertino, California. During the Conspiracy Period, AU Optronics Corporation America,  
15 Inc., manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products  
16 throughout the United States and elsewhere.

17           30. Defendants AU Optronics Corporation and AU Optronics Corporation America,  
18 Inc., are referred to collectively herein as “AU Optronics.” They participated in the conspiracy  
19 through the actions of their respective officers, employees, and representatives acting with actual  
20 or apparent authority. Alternatively, defendant AU Optronics Corporation America, Inc., was a  
21 member of the conspiracy because, among other reasons, of its status during the Conspiracy  
22 Period as the alter ego or agent of AU Optronics Corporation. AU Optronics Corporation  
23 dominated or controlled AU Optronics Corporation America, Inc., regarding conspiracy  
24 activities and used that domination or control to charge artificially high prices for LCD Panels  
25 and/or LCD Products.

26                           **b. Chi Mei**

27           31. Defendant Chi Mei Corporation is one of the world’s largest manufacturers of  
28 LCD Panels. Its corporate headquarters are at No. 11-2, Jen Te 4th St., Jen Te Village, Jen Te,

1 Tainan 717, Taiwan. During the Conspiracy Period, Chi Mei Corporation manufactured,  
2 marketed, sold and/or distributed LCD Panels and/or LCD Products throughout the United States  
3 and elsewhere.

4 32. Defendant Chi Mei Optoelectronics Corporation is one of the world's largest  
5 manufacturers of LCD Panels and a wholly-owned subsidiary of Chi Mei Corporation. Its global  
6 headquarters are at No. 3, Sec. 1, Huanshi Rd., Southern Taiwan Science Park, Sinshih  
7 Township, Tainan County, 74147 Taiwan. During the Conspiracy Period, Chi Mei  
8 Optoelectronics Corporation manufactured, marketed, sold and/or distributed LCD Panels and/or  
9 LCD Products throughout the United States and elsewhere.

10 33. Defendant Chi Mei Optoelectronics USA, Inc., formerly known as International  
11 Display Technology USA, Inc., is a wholly-owned and controlled subsidiary of Chi Mei  
12 Corporation. Its corporate headquarters are at 101 Metro Drive Suite 510, San Jose, California.  
13 During the Conspiracy Period, Chi Mei Optoelectronics USA, Inc., manufactured, marketed,  
14 sold and/or distributed LCD Panels and/or LCD Products throughout the United States and  
15 elsewhere.

16 34. Defendant CMO Japan Co., Ltd., formerly known as International Display  
17 Technology, Ltd., is a subsidiary of Chi Mei Corporation. Its principal place of business is at  
18 Nansei Yaesu Bldg. 3F, 2-2-10 Yaesu, Chuo-Ku, Tokyo 104-0028, Japan. During the  
19 Conspiracy Period, CMO Japan Co., Ltd. manufactured, marketed, sold and/or distributed LCD  
20 Panels and/or LCD Products throughout the United States and elsewhere.

21 35. Defendant Nexgen Mediatech, Inc., is a wholly-owned and controlled subsidiary  
22 of Chi Mei Corporation. Its principal place of business is at No. 11-2, Jen Te 4th St., en Te  
23 Village Jen Te, Tainan 717 Taiwan. During the Conspiracy Period, Nexgen Mediatech, Inc.,  
24 marketed, sold and/or distributed LCD Products manufactured by Chi Mei Optoelectronics  
25 Corporation throughout the United States and elsewhere.

26 36. Defendant Nexgen Mediatech USA, Inc., is a wholly-owned and controlled  
27 subsidiary of Chi Mei Corporation. Its principal place of business is at 16712 East Johnson  
28 Drive, City of Industry, California is hereby named as a defendant. During the Conspiracy

1 Period, Nexgen Mediatech USA, Inc., marketed, sold and/or distributed LCD Products  
2 manufactured by Chi Mei Optoelectronics Corporation throughout the world.

3 37. Defendants Chi Mei Corporation, Chi Mei Optoelectronics Corporation, Chi Mei  
4 Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen Mediatech, Inc., and Nexgen  
5 Mediatech USA, Inc., are referred to collectively herein as “Chi Mei.” They participated in the  
6 conspiracy through the actions of their respective officers, employees, and representatives acting  
7 with actual or apparent authority. Alternatively, defendants Chi Mei Optoelectronics  
8 Corporation, Chi Mei Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen Mediatech, Inc.,  
9 and Nexgen Mediatech USA, Inc., were members of the conspiracy by virtue of their status  
10 during the Conspiracy Period as the alter egos or agents of Chi Mei Corporation. Chi Mei  
11 Corporation dominated or controlled Chi Mei Optoelectronics Corporation, Chi Mei  
12 Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen Mediatech, Inc., and Nexgen  
13 Mediatech USA, Inc., regarding conspiracy activities and used that domination or control to  
14 charge artificially high prices for LCD Panels and/or LCD Products.

15 **c. Chunghwa**

16 38. Defendant Chunghwa Picture Tubes Ltd. is a leading manufacturer of LCD  
17 Products. Its global headquarters are at 1127 Hopin Rd., Padeh City, Taoyuan, Taiwan. During  
18 the Conspiracy Period, Chunghwa Picture Tubes Ltd. manufactured, marketed, sold and/or  
19 distributed LCD Panels and/or LCD Products throughout the United States and elsewhere.

20 39. Defendant Tatung Company of America, Inc., (“Tatung America”) is a California  
21 corporation with its principal place of business at 2850 El Presidio Street, Long Beach,  
22 California. During the Conspiracy Period, Tatung America manufactured, marketed, sold and/or  
23 distributed LCD Panels and/or LCD Products throughout the United States and elsewhere.

24 40. Defendants Chunghwa Picture Tubes Ltd. and Tatung America are referred to  
25 collectively herein as “Chunghwa.” They participated in the conspiracy through the actions of  
26 their respective officers, employees, and representatives acting with actual or apparent authority.  
27 During the Conspiracy Period, Chunghwa Picture Tubes Ltd. and Tatung America were closely  
28 affiliated, commonly owned, controlled and dominated by Tatung Corporation, and functioned as

1 a single enterprise and/or alter egos. Chunghwa is a subsidiary of Tatung Company, a  
2 consolidated consumer electronics and information technology company based in Taiwan.  
3 Chunghwa's Board of Directors includes representatives from Tatung Company. The Chairman  
4 of Chunghwa, Weishan Lin, is also the Chairman and General Manager of the Tatung Company.  
5 Tatung America is also subsidiary of Tatung Company. Currently, Tatung Company owns  
6 approximately half of Tatung America. The other half is owned by Lun Kuan Lin, the daughter  
7 of Tatung Company's former Chairman, T.S. Lin.

8 **d. HannStar**

9 41. Defendant HannStar Display Corporation ("HannStar") has its headquarters at  
10 No. 480, Rueiguang Road, 12th Floor, Neihu Chiu, Taipei 114, Taiwan. During the Conspiracy  
11 Period, HannStar manufactured, marketed, sold and/or distributed LCD Panels and/or LCD  
12 Products throughout the United States and elsewhere.

13 **e. LG Display**

14 42. Defendant LG Display Co., Ltd., formerly known as LG Philips LCD Co., Ltd., is  
15 a leading manufacturer of LCD Panels and/or LCD Products. It was created in 1999 as a joint  
16 venture by Royal Philips Electronics NV and LG Electronics. LG Display Co., Ltd. has its  
17 principal place of business at 20 Yoido-dong, Youngdungpo-gu, Seoul, 150-72 1, Republic of  
18 Korea. LG Display Co., Ltd. also maintains offices in San Jose, California. During the  
19 Conspiracy Period, LG Display Co., Ltd. manufactured, marketed, sold and/or distributed LCD  
20 Panels and/or LCD Products throughout the United States and elsewhere.

21 43. Defendant LG Display America, Inc., formerly known as LG Philips LCD  
22 America, Inc., with its principal place of business located at 150 East Brokaw Rd., San Jose,  
23 California. During the Conspiracy Period, LG Display America, Inc., manufactured, marketed,  
24 sold and/or distributed LCD Panels and/or LCD Products throughout the United States and  
25 elsewhere.

26 44. Defendants LG Display Co., Ltd. and LG Display America, Inc., are referred to  
27 collectively herein as "LG Display." They participated in the conspiracy through the actions of  
28 their respective officers, employees, and representatives acting with actual or apparent authority.

1 Alternatively, defendant LG Display America, Inc., was a member of the conspiracy by virtue of  
2 its status during the Conspiracy Period as the alter ego or agent of LG Display Co., Ltd. LG  
3 Display Co., Ltd. dominated or controlled LG Display America, Inc., regarding conspiracy  
4 activities and used that domination or control to charge artificially high prices for LCD Panels  
5 and/or LCD Products.

6 **f. Samsung**

7 45. Defendant Samsung Electronics Co., Ltd. has its principal place of business at  
8 Samsung Main Building, 250-2 ga, Taepyung-ro Chung-gu, Seoul, Republic of Korea. During  
9 the Conspiracy Period, Samsung Electronics Co., Ltd. manufactured, marketed, sold and/or  
10 distributed LCD Panels and/or LCD Products throughout the United States and elsewhere.

11 46. Defendant Samsung Electronics America, Inc., is a wholly-owned and controlled  
12 subsidiary of Samsung Electronics Co., Ltd. Its principal place of business is at 105 Challenger  
13 Road, Ridgefield Park, New Jersey. During the Conspiracy Period, Samsung Electronics  
14 America, Inc., manufactured, marketed, sold and/or distributed LCD Panels and/or LCD  
15 Products throughout the United States and elsewhere.

16 47. Defendant Samsung Semiconductor, Inc., is a wholly-owned and controlled  
17 subsidiary of Samsung Electronics Co., Ltd. Its principal place of business is at 3655 North First  
18 Street, San Jose, California. During the Conspiracy Period, Samsung Semiconductor, Inc.,  
19 manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products throughout  
20 the United States and elsewhere.

21 48. Defendants Samsung Electronics Co., Ltd., Samsung Electronics America, Inc.,  
22 and Samsung Semiconductor, Inc., are referred to collectively herein as “Samsung.” They  
23 participated in the conspiracy through the actions of their respective officers, employees, and  
24 representatives acting with actual or apparent authority. Alternatively, defendants Samsung  
25 Electronics America, Inc., and Samsung Semiconductor, Inc., were members of the conspiracy  
26 by virtue of their status during the Conspiracy Period as the alter egos or agents of Samsung  
27 Electronics Co., Ltd. Samsung Electronics Co., Ltd. dominated or controlled Samsung  
28 Electronics America, Inc., and Samsung Semiconductor, Inc., regarding conspiracy activities and

1 used that domination or control to charge artificially high prices for LCD Panels and/or LCD  
2 Products.

3 **g. Sharp**

4 49. Defendant Sharp Corporation has its principal place of business at 22-22 Nagaike-  
5 cho, Abeno-ku, Osaka 545-8522, Japan. During the Conspiracy Period, Sharp Corporation  
6 manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products throughout  
7 the United States and elsewhere.

8 50. Defendant Sharp Electronics Corporation is a wholly-owned and controlled  
9 subsidiary of Sharp Corporation. Its principal place of business is at Sharp Plaza, Mahwah, New  
10 Jersey. During the Conspiracy Period, Sharp Electronics Corporation manufactured, marketed,  
11 sold and/or distributed LCD Panels and/or LCD Products throughout the United States and  
12 elsewhere.

13 51. Defendants Sharp Corporation and Sharp Electronics Corporation are referred to  
14 collectively herein as “Sharp.” They participated in the conspiracy through the actions of their  
15 respective officers, employees, and representatives acting with actual or apparent authority.  
16 Alternatively, defendant Sharp Electronics Corporation was a member of the conspiracy by  
17 virtue of its status during the Conspiracy Period as the alter ego or agent of Sharp Corporation.  
18 Sharp Corporation dominated or controlled Sharp Electronics Corporation regarding conspiracy  
19 activities and used that domination or control to charge artificially high prices for LCD Panels  
20 and/or LCD Products.

21 **h. Toshiba**

22 52. Defendant Toshiba Corporation has its principal place of business at 1-1, Shibaura  
23 1-chome, Minato-ku, Tokyo, 105-8001, Japan. During the Conspiracy Period, Toshiba  
24 Corporation manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products  
25 throughout the United States and elsewhere.

26 53. Defendant Toshiba Mobile Display Co., Ltd., formerly known as Matsushita  
27 Display Technology Co., Ltd., has its principal place of business at Rivage Shinagawa, 1-8,  
28 Konan 4-chome, Minato-ku, Tokyo, 108-0075, Japan. During the Conspiracy Period, Toshiba

1 Mobile Display Co., Ltd. manufactured, marketed, sold and/or distributed LCD Panels and/or  
2 LCD Products throughout the United States and elsewhere.

3 54. Defendant Toshiba America Electronic Components, Inc., is a wholly-owned and  
4 controlled subsidiary of defendant Toshiba Corporation. Its corporate headquarters are at 19900  
5 MacArthur Blvd., Ste. 400, Irvine, California. During the Conspiracy Period, Toshiba America  
6 Electronic Components, Inc., manufactured, marketed, sold and/or distributed LCD Panels  
7 and/or LCD Products throughout the United States and elsewhere.

8 55. Defendant Toshiba America Information Systems, Inc., is a wholly-owned and  
9 controlled subsidiary of Toshiba America, Inc. Its principal place of business is at 9470 Irvine  
10 Boulevard, Irvine, California. During the Conspiracy Period, Toshiba America Information  
11 Systems, Inc., manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products  
12 throughout the United States and elsewhere.

13 56. Defendants Toshiba Corporation, Toshiba Mobile Display Co., Ltd., Toshiba  
14 America Electronic Components, Inc., and Toshiba America Information Systems, Inc., are  
15 referred to collectively herein as “Toshiba.” They participated in the conspiracy through the  
16 actions of their respective officers, employees, and representatives acting with actual or apparent  
17 authority. Alternatively, defendants Toshiba Matsushita Display Technology Co., Ltd., Toshiba  
18 America Electronic Components, Inc., and Toshiba America Information Systems, Inc., were  
19 members of the conspiracy by virtue of their status during the Conspiracy Period as the alter egos  
20 or agents of Toshiba Corporation. Toshiba Corporation dominated or controlled Toshiba  
21 Matsushita Display Technology Co., Ltd., Toshiba America Electronic Components, Inc., and  
22 Toshiba America Information Systems, Inc., regarding conspiracy activities and used that  
23 domination or control to charge artificially high prices for LCD Panels and/or LCD Products.

24 **i. Epson**

25 57. Defendant Epson Imaging Devices Corporation (“Epson Japan”) has its principal  
26 place of business at 4F Annex, World Trade Center Building, 2-4-1 Hamamatsu-cho, Minato-ku,  
27 Tokyo 105-6104 Japan. The company was originally formed as a joint venture between Seiko  
28 Epson Corporation and Sanyo Electric Co., Ltd. but is now a wholly-owned subsidiary of Seiko

1 Epson Corporation. Up until December 28, 2006, Epson Japan was known as Sanyo Epson  
2 Imaging Devices Corporation. During the Conspiracy Period, Epson Japan manufactured,  
3 marketed, sold and/or distributed LCD Panels and/or LCD Products throughout the United States  
4 and elsewhere.

5 58. Defendant Epson Electronics America, Inc., (“Epson America”) is a wholly-  
6 owned and controlled subsidiary of Seiko Epson Corporation. Its principal place of business is at  
7 2580 Orchard Parkway, San Jose, California. During the Conspiracy Period, Epson America  
8 manufactured, marketed, sold and/or distributed LCD Panels and/or LCD Products throughout  
9 the United States and elsewhere.

10 59. Defendants Epson Japan and Epson America are referred to collectively herein as  
11 “Epson.” They participated in the conspiracy through the actions of their respective officers,  
12 employees, and representatives acting with actual or apparent authority. Alternatively, defendant  
13 Epson America was a member of the conspiracy by virtue of its status during the Conspiracy  
14 Period as the alter ego or agent of Epson Japan. Epson Japan dominated or controlled Epson  
15 America regarding conspiracy activities and used that domination or control to charge artificially  
16 high prices for LCD Panels and/or LCD Products.

### 17 **3. Agents and Co-Conspirators**

18 60. The actions in this Complaint were authorized, ordered, or done by the  
19 defendants’ respective officers, agents, employees, or representatives while actively engaged in  
20 the management of each defendant’s business or affairs.

21 61. Each defendant acted as the agent or joint venturer of or for the other defendants  
22 with respect to the acts, violations and common course of conduct alleged herein. Each  
23 defendant that is a subsidiary of a foreign parent acts as the United States agent for LCD Panels  
24 and/or LCD Products made by its parent company.

25 62. Various persons and entities, some identified and some not yet identified,  
26 participated as co-conspirators in the violations alleged herein and performed acts and made  
27 statements in furtherance thereof. When Motorola establishes the identities of such co-  
28 conspirators, Motorola will seek leave to amend this complaint to add such co-conspirators as

1 defendants. These co-conspirators are believed to include, without limitation, LG Electronics,  
2 Inc., LG Electronics USA, Inc., Hydis Technologies Co., Ltd., NEC LCD Technologies, Ltd.,  
3 Royal Philips Electronics N.V., Philips Electronics North America Corp., Ltd., IPS Alpha  
4 Technology, Ltd., Mitsui & Co., Ltd., Mitsubishi Electric Corporation, Panasonic Corporation,  
5 and Panasonic Corporation of North America.

6 **E. TRADE AND COMMERCE AFFECTED BY THE CONSPIRACY**

7 63. During the Conspiracy Period, defendants, or one or more of their subsidiaries,  
8 sold LCD Panels in the United States through and into interstate and foreign commerce,  
9 including through the Northern District of Illinois.

10 64. During the Conspiracy Period, defendants collectively controlled the market for  
11 LCD Panels, both globally and in the United States.

12 65. Defendants' business activities substantially affected interstate trade and  
13 commerce in the United States and caused antitrust injury in the United States.

14 **1. LCD Panels**

15 66. LCD Panels are utilized in televisions, computer monitors, notebook computers,  
16 mobile wireless handsets, digital cameras, and numerous other electronic products. LCD Panels  
17 were the principal form of display screen used in mobile wireless handsets and two-way radios  
18 manufactured during the Conspiracy Period.

19 67. LCD Panels use liquid crystal to control the passage of light. More specifically,  
20 an LCD Panel is made of two glass sheets sandwiching a layer of liquid crystal. When voltage is  
21 applied, the liquid crystal is bent, allowing light to pass through to form a pixel. The  
22 combination of these pixels forms an image on the panel.

23 **2. Structure of the LCD Panel Industry**

24 68. The LCD Panel industry has several characteristics that facilitated a conspiracy to  
25 fix prices, including high concentration, significant barriers to entry, homogeneity of products,  
26 consolidation, multiple interrelated business relationships and ease of information sharing.

1           69.     The LCD Panel industry is highly concentrated and thus conducive to collusion.  
2 Throughout the Conspiracy Period, defendants and their co-conspirators collectively controlled a  
3 significant share of the market for LCD Panels, both globally and in the United States.

4           70.     The LCD industry is characterized by high barriers to entry. New fabrication  
5 plants, or “fabs,” can cost upwards of \$2 to \$3 billion, and rapidly evolving technology and  
6 intellectual property requirements require constant research and development and investment.  
7 Thus, firms cannot enter the market for the production and sale of LCD Panels without an  
8 enormous capital investment.

9           71.     LCD Panels, whether incorporated into mobile wireless handsets or desktop  
10 monitors, notebook computers and televisions, are manufactured to a specific size, regardless of  
11 manufacturer. The manufacture of standard panel sizes for products containing LCD Panels  
12 across the LCD Panel industry facilitates price transparency in the market for LCD Panels and  
13 enables LCD Panel manufacturers to monitor and analyze LCD Panel prices and thus enables  
14 them to enforce their conspiracy.

15           72.     The LCD Panel industry has experienced significant consolidation during the  
16 Conspiracy Period, as reflected by:

- 17                 • the 2001 creation of AU Optronics itself through the merger of Acer Display  
18                     and Unipac Electronics;
- 19                 • the 2002 merger of the LCD operations of Toshiba and Matsushita into one  
20                     entity, defendant Toshiba Mobile Display Co., Ltd.;
- 21                 • the 2004 joint venture for the production of LCD Panels for televisions by  
22                     Hitachi, Toshiba, and Matsushita;
- 23                 • the 2005 transfer of Fujitsu Limited’s LCD business to Sharp in 2005;
- 24                 • the 2006 AU Optronics acquisition of Quanta Display.

25           73.     Additional opportunities for collusive activity are presented by the many joint  
26 ventures, cross-licenses, and other cooperative arrangements in the LCD Panel industry. Using  
27 the otherwise legitimate cover of such arrangements, defendants implemented and policed their  
28

1 illegitimate agreements to fix prices and limit output for LCD Panels through the numerous  
2 meetings described hereinafter.

3       74. There were many opportunities for defendants to discuss and exchange  
4 competitively-sensitive information through their common membership in trade associations,  
5 interrelated business arrangements such as joint ventures, allegiances between companies in  
6 certain countries, and relationships between the executives of certain companies.  
7 Communication between the conspirators was facilitated by the use of meetings, telephone calls,  
8 e-mails, and instant messages. Defendants took advantage of these opportunities to discuss and  
9 agree upon their pricing of LCD Panels and monitor each other's compliance with their  
10 agreement.

### 11                   **3. The Market For LCD Panels**

12       75. LCD Panels have no independent utility, and have value only as components of  
13 other products, such as mobile wireless handsets, desktop computer monitors, notebook  
14 computer displays, laptop displays, and televisions. The demand for LCD Panels thus derives  
15 directly from the demand for such products. In the case of LCD Panels used in mobile wireless  
16 handsets, the demand for LCD Panels derives directly from the demand for mobile wireless  
17 handsets.

18       76. The market for LCD Panels is enormous, in part because of the extraordinarily  
19 high demand for mobile wireless handsets and other LCD Products. For example, demand for  
20 mobile wireless handsets grew exponentially during the Conspiracy Period. In 1997, worldwide  
21 shipments of mobile wireless handsets totaled approximately 100 million units. This number  
22 ballooned to over one billion units by 2006. This increased demand for mobile wireless handsets  
23 drove a similar increase in the demand for LCD Panels during the Conspiracy period. Shipments  
24 of LCD Panels for mobile wireless handsets grew from approximately 400 million panels in  
25 2001 to over a billion panels in 2006.

26       77. The market for LCD Panels and the market for LCD Products, such as mobile  
27 wireless handsets, desktop computer monitors, notebook computers and televisions, are  
28 inextricably linked and intertwined because the LCD Panel market exists to serve the markets for

1 LCD Products, such as mobile wireless handsets. The market for LCD Panels and the markets  
2 for LCD Products such as mobile wireless handsets, desktop computer monitors, notebook  
3 computers and televisions are, for all intents and purposes, inseparable in that one would not  
4 exist without the other.

5 78. Motorola participated in the market for LCD Panels during the Conspiracy Period  
6 through its purchases of LCD Panels and LCD Products. Motorola paid a higher price for LCD  
7 Panels and LCD Products purchased from defendants, their co-conspirators, and others than it  
8 would have absent the conspiracy.

9 **F. VIOLATIONS ALLEGED**

10 79. Beginning at a date as yet unknown to Motorola, but at least as early as January 1,  
11 1996 and continuing thereafter up to and including December 11, 2006 at a minimum,  
12 defendants and their co-conspirators agreed, combined, and conspired to raise, maintain, and  
13 stabilize at artificial levels the prices at which LCD Panels have been sold throughout the world  
14 and the United States, including directly and indirectly to Motorola.

15 80. Defendants, through their officers, directors and employees, effectuated a  
16 contract, combination, trust, or conspiracy between themselves and their co-conspirators by,  
17 among other things:

- 18 A. Participating in meetings and conversations to discuss the prices and supply of  
19 LCD Panels in the global market, including the United States;
- 20 B. Agreeing to fix the prices and limit the supply of LCD Panels sold in the  
21 global market, including the United States, in a manner that deprived  
22 Motorola of free and open competition as a direct and indirect purchaser;
- 23 C. Issuing price announcements and quotations in accordance with the  
24 agreements reached; and
- 25 D. Selling LCD Panels directly and indirectly to Motorola, including in the  
26 United States, at fixed, non-competitive prices.

27 **1. Defendants' and their Co-Conspirators' Agreements To Set**  
28 **Prices And Limit Production**

1           81.     The LCD Panel conspiracy alleged herein was effectuated through a combination  
2 of group and bilateral discussions that took place in Japan, South Korea, Taiwan and in  
3 California and elsewhere in the United States. In the early years, beginning in at least 1996,  
4 representatives of the Japanese defendants such as Sharp and Toshiba met and agreed to fix the  
5 prices for LCD Panels generally, as well as to specific OEMs; they also agreed to limit the  
6 amount of LCD Panels each would produce.

7           82.     In the early years, when the conspiracy was principally limited to the Japanese  
8 defendants, bilateral discussions were the preferred method of communication. As more  
9 manufacturers entered the conspiracy, however, group meetings became more prevalent.

10          83.     As LCD production in South Korea began to increase and become more  
11 sophisticated, the Japanese defendants expanded their meetings to include their South Korean  
12 competitors, including defendants LG Display and Samsung, both of which also agreed to fix  
13 prices and control supply.

14          84.     At least as early as 2001, the South Korean defendants convinced Taiwanese LCD  
15 Panel manufacturers, including defendants AU Optronics, Chi Mei, Chunghwa and HannStar, to  
16 join the conspiracy to fix prices and control supply. Defendants' conspiracy included  
17 agreements on the prices at which certain defendants would sell LCD Panels and LCD Products  
18 to their own corporate subsidiaries and affiliates that manufactured LCD Products, such as  
19 mobile wireless handsets, thereby ensuring that LCD Panel prices remained the same as between  
20 defendants and their OEM customers.

21                   **a.     “Crystal Meetings”**

22          85.     In early 2001, high-level employees of at least two large manufacturers of LCD  
23 Panels met in person and agreed to engage in periodic meetings to exchange sensitive  
24 competitive information and to fix the price of LCD Panels and limit their production. From  
25 early 2001 through at least 2006, officials from defendants Samsung, AU Optronics, Chunghwa,  
26 Chi Mei, HannStar, LG Display, and Sharp, met periodically in Taiwan to discuss and reach  
27 agreements on LCD Panel prices, price increases, production, and production capacity, and did  
28 in fact reach agreements increasing, maintaining, and/or fixing LCD Panel prices and limiting

1 their production. The group meetings these defendants participated in were called “Crystal  
2 Meetings.” Each defendant attended multiple meetings with one or more of the other defendants  
3 during this period. The Crystal Meetings occurred in Taiwan; other similar meetings took place  
4 in South Korea, Japan, and the United States on a regular basis throughout this period.

5 86. The Crystal Meetings were highly organized and followed a set pattern. Meetings  
6 among defendants’ high-level executives were called “CEO” or “Top” meetings; those among  
7 defendants’ vice presidents and senior sales executives were called “Commercial” or  
8 “Operational” meetings.

9 87. The CEO meetings occurred quarterly from approximately 2001 to 2006. The  
10 purpose and effect of these meetings was to stabilize or raise prices. Each meeting followed the  
11 same general pattern, with a rotating designated “chairman” who would use a projector or  
12 whiteboard to put up figures relating to the supply, demand, production, and prices of LCD  
13 Panels for the group to review. Those attending the meetings would take turns sharing  
14 information concerning prices, monthly and quarterly LCD fab output, production, and supply,  
15 until a consensus was reached concerning the participants’ prices and production levels of LCD  
16 Panels in the coming months or quarter.

17 88. The structure of Commercial meetings was largely the same as CEO meetings.  
18 These meetings took place more frequently than CEO meetings and occurred approximately  
19 monthly.

20 89. During all of these meetings, defendants exchanged information about current and  
21 anticipated prices for their LCD Panels, and, thereafter, reached agreement concerning the  
22 specific prices to be charged in the coming weeks and months for LCD Panels. Defendants set  
23 these prices in various ways, including, but not limited to, setting “target” prices, “floor” prices,  
24 and the price range or differential between different sizes and types of LCD Panels.

25 90. During these CEO and Commercial meetings, defendants also exchanged  
26 information about supply, demand, and their production of LCD Panels, and, thereafter, reached  
27 agreement concerning the amounts each would produce. Defendants limited the production of  
28

1 LCD Panels in various ways, including, but not limited to, line slowdowns, delaying capacity  
2 expansion, shifting their production to different-sized panels, and setting target production levels.

3 91. During these CEO and Commercial meetings, defendants also agreed to conceal  
4 the fact and substance of the meetings, and, in fact, took various steps to do so. Top executives  
5 and other officials attending these meetings were instructed on more than one occasion to not  
6 disclose the fact of these meetings to outsiders, or even to other employees of the defendants not  
7 involved in LCD Panel pricing or production. On at least one occasion, top executives at a CEO  
8 meeting staggered their arrivals and departures at the meeting site so that they would not be seen  
9 in the company of each other coming or going to such meeting.

10 92. The structure of the so-called “Working Level” meetings was less formal than the  
11 CEO or Commercial meetings, and often occurred at restaurants over a meal. The purpose of the  
12 Working Level meetings was to exchange information on price, supply and demand, and  
13 production information which then would be transmitted up the corporate reporting chain to  
14 those individuals with pricing authority which facilitated implementation of the conspiracy and  
15 effectuated the agreements made at the CEO meetings and at the Commercial meetings.

16 93. In approximately the summer of 2006, when they began to have concerns about  
17 antitrust issues, defendants discontinued the Working Level meetings in favor of one-on-one  
18 meetings to exchange pricing and supply information. The meetings were coordinated so that on  
19 the same date, each competitor met one-on-one with the other in a “Round Robin” set of  
20 meetings until all competitors had met with each other. These Round Robin meetings took place  
21 until at least November or December of 2006. The information obtained at these meetings was  
22 transmitted up the corporate reporting chain to permit defendants to maintain their price-fixing  
23 and production-limitation agreement.

24 **b. Bilateral Discussions**

25 94. During the Crystal Meetings, defendants also agreed to engage in bilateral  
26 communications with those defendants not attending these meetings. Certain defendants were  
27 “assigned” other defendants not in attendance and agreed to and did in fact communicate with  
28 non-attending defendants to synchronize the price and production limitations agreed to at the

1 Crystal Meetings. Participants at the Crystal Meetings contacted Japanese defendants (such as  
2 Sharp and Toshiba) to relay the agreed-upon pricing and production limitations.

3 95. The Crystal Meetings were also supplemented by additional bilateral discussions  
4 between various defendants in which they exchanged information about pricing, shipments, and  
5 production. As is more fully alleged below, defendants had bilateral discussions with one  
6 another during price negotiations with customers in order to avoid cutting prices and to  
7 implement the fixed prices set by defendants during the Crystal Meetings. These discussions  
8 usually took place between sales and marketing employees in the form of telephone calls, emails  
9 and instant messages. The information gained in these communications was then shared with  
10 supervisors and taken into account in determining the price to be offered the defendants'  
11 customers.

## 12 **2. Defendants' Participation in Group and Bilateral Discussions**

13 96. Defendants AU Optronics, Chi Mei, Chunghwa, HannStar, LG Display and  
14 Samsung attended multiple CEO, Commercial and working-level meetings, as well as bilateral  
15 discussions during the Conspiracy Period and at least between 2001 and 2006. These defendants  
16 agreed on prices, price increases, and production limits and quotas for LCD Panels.  
17 Additionally, defendants Quanta Display and Unipac, which merged with AU Optronics,  
18 participated in working-level meetings. At the CEO and Commercial meetings, these defendants  
19 agreed on prices, price increases, and production limits and quotas for LCD Panels.

20 97. Defendant Chi Mei Optoelectronics has admitted and pleaded guilty to  
21 participating in the conspiracy from September 2001 to December 2006 to fix the price of LCD  
22 Panels sold worldwide, including the United States and California in particular, and to  
23 participating in meetings, conversations and communications in Taiwan to discuss the prices of  
24 LCD Panels, agreeing to fix the prices of LCD Panels, and exchanging pricing and sales  
25 information for the purpose of monitoring and enforcing adherence to agreed-upon prices. In  
26 connection with its guilty plea, Chi Mei Optoelectronics has agreed to pay a criminal fine of  
27 \$220 million.

1           98. LG Display has admitted and pleaded guilty to participating in the conspiracy  
2 from September 2001 through June 2006 to fix the prices of LCD Panels sold worldwide, and to  
3 participating in meetings, conversations and communications in Taiwan, South Korea and the  
4 United States to discuss the prices of LCD Panels, agreeing to fix the prices of LCD Panels, and  
5 exchanging pricing and sales information for the purpose of monitoring and enforcing adherence  
6 to the agreed-upon prices. In connection with its guilty plea, LG Display has agreed to pay a fine  
7 of \$400 million, the second-highest criminal fine ever imposed by the DOJ's Antitrust Division,  
8 for its participation in the conspiracy.

9           99. Chung Suk "C.S." Chung, an executive from LG Display also pleaded guilty to  
10 participating in the conspiracy to fix the prices of LCD Panels sold worldwide from September  
11 2001 through June 2006. Specifically, Mr. Chung admitted that he participated in meetings,  
12 conversations and communications in Taiwan, South Korea and the United States to discuss the  
13 prices of LCD Panels, agreed to fix the prices of LCD Panels at certain predetermined levels,  
14 issued price quotations in accordance with the agreements reached, exchanged pricing and sales  
15 information for the purpose of monitoring and enforcing adherence to the agreed-upon prices,  
16 and authorized, ordered, and consented to the participation of subordinate employees in the  
17 conspiracy. In connection with his guilty plea, Mr. Chung has agreed to serve a 7-month prison  
18 term and pay a criminal fine of \$25,000.

19           100. Bock Kwon, an executive from LG Display, also pleaded guilty to participating in  
20 the conspiracy to fix the prices of LCD Panels sold worldwide, including the United States and  
21 California in particular, from September 2001 through June 2006. Specifically, Mr. Kwon  
22 admitted that he participated in meetings, conversations and communications in Taiwan, South  
23 Korea and the United States to discuss the prices of LCD Panels, agreed to fix the prices of LCD  
24 Panels at certain predetermined levels, issued price quotations in accordance with the agreements  
25 reached, exchanged pricing and sales information for the purpose of monitoring and enforcing  
26 adherence to the agreed-upon prices, and authorized, ordered, and consented to the participation  
27 of subordinate employees in the conspiracy. In connection with his guilty plea, Mr. Kwon has  
28 agreed to serve a 12-month prison term and pay a criminal fine of \$30,000.

1           101. In addition, Duk Mo Koo, former Executive Vice President and Chief Sales  
2 Officer from LG Display, has been indicted for participating in the conspiracy to fix the prices of  
3 LCD Panels sold worldwide, including the United States and California in particular, from  
4 December 2001 through December 2005. Specifically, Mr. Koo has been charged with  
5 participating in meetings, conversations and communications in Taiwan, South Korea and the  
6 United States to discuss the prices of LCD Panels, including the Crystal Meetings that took place  
7 in Taiwan. Mr. Koo has also been charged with agreeing to fix the prices of LCD Panels at  
8 certain predetermined levels, issuing price quotations in accordance with the agreements  
9 reached, exchanging pricing and sales information for the purpose of monitoring and enforcing  
10 adherence to the agreed-upon prices, authorizing, ordering, and consenting to the participation of  
11 subordinate employees in the conspiracy, accepting payment for the supply of LCD Panels sold  
12 at collusive, noncompetitive prices to customers in the United States, and taking steps to conceal  
13 the conspiracy and his conspiratorial contacts.

14           102. Chunghwa has admitted and pleaded guilty to participating in the conspiracy from  
15 September 2001 to December 2006 to fix the price of LCD Panels sold worldwide and to  
16 participating in meetings, conversations and communications in Taiwan to discuss the prices of  
17 LCD Panels, agreeing to fix the prices of LCD Panels, and exchanging pricing and sales  
18 information for the purpose of monitoring and enforcing adherence to agreed-upon prices. In  
19 connection with its guilty plea, Chunghwa has agreed to pay a criminal fine of \$65 million.

20           103. In addition, two current executives from Chunghwa, Chih-Chun “C.C.” Liu and  
21 Hsueh-Lung “Brian” Lee, and one former executive from Chunghwa, Chieng-Hon “Frank” Lin  
22 pleaded guilty to participating in the conspiracy from September 2001 through December 2006.  
23 Specifically, Mr. Liu, Mr. Lee and Mr. Lin admitted that they participated in meetings,  
24 conversations and communications in Taiwan, South Korea and the United States to discuss the  
25 prices of LCD Panels, agreed to fix the prices of LCD Panels at certain predetermined levels,  
26 issued price quotations in accordance with the agreements reached, exchanged pricing and sales  
27 information for the purpose of monitoring and enforcing adherence to the agreed-upon prices,  
28 and authorized, ordered, and consented to the participation of subordinate employees in the

1 conspiracy. In connection with their guilty pleas, Mr. Lin has agreed to serve a 9-month prison  
2 term and pay a criminal fine of \$50,000; Mr. Liu has agreed to serve a 7-month prison term and  
3 pay a criminal fine of \$30,000; and Mr. Lee has agreed to serve a 6-month prison term and pay a  
4 criminal fine of \$20,000.

5       104. In addition, two former Chunghwa executives, Cheng Yuan Lin and Wen Jun  
6 Cheng, have been indicted for participating in the conspiracy to fix the price of LCD Panels sold  
7 worldwide from December 2001 through December 2005. Specifically, Mr. Lin and Mr. Cheng  
8 have been charged with participating in meetings, conversations and communications in Taiwan,  
9 South Korea and the United States to discuss the prices of LCD Panels, including the Crystal  
10 Meetings that took place in Taiwan. Mr. Lin and Mr. Cheng have also been charged with  
11 agreeing to fix the prices of LCD Panels at certain predetermined levels, issuing price quotations  
12 in accordance with the agreements reached, exchanging pricing and sales information for the  
13 purpose of monitoring and enforcing adherence to the agreed-upon prices, authorizing, ordering,  
14 and consenting to the participation of subordinate employees in the conspiracy, accepting  
15 payment for the supply of LCD Panels sold at collusive, noncompetitive prices to customers in  
16 the United States, and taking steps to conceal the conspiracy and their conspiratorial contacts.

17       105. Defendant Sharp has admitted and pleaded guilty to participating in the  
18 conspiracy with unnamed co-conspirators to fix the price of LCD Panels sold to Dell from April  
19 2001 to December 2006, to Apple Computer from September 2005 to December 2006, and to  
20 Motorola from the fall of 2005 to the middle of 2006, and to participating in bilateral meetings,  
21 conversations and communications in Japan and in the United States with unnamed co-  
22 conspirators to discuss the prices of LCD Panels, agreeing to fix the prices of LCD Panels, and  
23 exchanging pricing and sales information for the purpose of monitoring and enforcing adherence  
24 to the agreed-upon prices.

25       106. Defendant Sharp participated in multiple Working Level meetings, as well as  
26 bilateral discussions with other defendants, during which it discussed and reached agreements  
27 with other defendants on prices for LCD Panels during the Conspiracy Period.  
28

1           107. Defendant Sharp also participated in multiple bilateral discussions with other  
2 defendants, including Toshiba and Epson, during the Conspiracy Period. Through these  
3 discussions, Sharp agreed on prices, price increases, production quotas, and production limits for  
4 LCD Panels. Because Toshiba and Epson were Sharp's primary competitors in the sale of LCD  
5 Panels used in mobile wireless handsets, Sharp knew that it could not have fixed the prices LCD  
6 Panels incorporated into such handsets – as Sharp admitted it did in its guilty plea – unless it  
7 reached agreements with Toshiba and Epson to do the same.

8           108. Defendant Toshiba also participated in the conspiracy by entering into joint  
9 ventures and other arrangements to manufacture or source LCD Panels with one or more of the  
10 defendants that attended the Crystal Meetings. The purpose and effect of these joint ventures by  
11 Toshiba and others was to limit the supply of LCD Panels and fix prices of such panels at  
12 unreasonably high levels and to aid, abet, notify and facilitate the implementation of the price-  
13 fixing and production-limitation agreements reached at the meetings. During the Conspiracy  
14 Period, Toshiba sought and formed strategic partnerships with other LCD manufacturers which  
15 allowed it to easily communicate and coordinate prices and production levels with other  
16 manufacturers as part of the overall conspiracy alleged herein. For instance, Toshiba formed  
17 HannStar in January 1998 as a manufacturing joint venture. In 2001, Toshiba and Matsushita  
18 formed a joint venture, Advanced Flat Panel Displays, which merged their LCD operations. In  
19 April 2002, Toshiba and Matsushita formed a joint venture, Toshiba Mobile Display, formerly  
20 known as Toshiba Matsushita Display Technology Co., Ltd., which combined the two  
21 companies' LCD development, manufacturing, and sales operations. In 2006, Toshiba  
22 purchased a 20% stake in LG Display's LCD Panel manufacturing facility in Poland. The  
23 operation and management of these many different joint ventures afforded Toshiba and the other  
24 defendant joint-venture partners regular opportunities to communicate with each other to agree  
25 on prices, price increases and production limits and quotas for LCD Panels that each defendant  
26 manufactured and sold.

27           109. Defendant Epson Japan has admitted and pleaded guilty to participating in the  
28 conspiracy with unnamed conspirators to fix the price of LCD Panels sold to Motorola. Epson

1 Japan has admitted and pleaded guilty to participating in the conspiracy from 2005 through 2006  
2 to fix the prices of LCD Panels, and to participating in meetings, conversations and  
3 communications in Japan and the United States to discuss the prices of LCD Panels, agreeing to  
4 fix the prices of LCD Panels, and exchanging pricing and sales information for the purpose of  
5 monitoring and enforcing adherence to the agreed-upon prices. In connection with its guilty  
6 plea, Epson Japan has agreed to pay a fine of \$26 million.

7       110. Defendant Epson America is a wholly-owned and controlled subsidiary of  
8 defendant Epson Japan and Epson Japan was represented by co-conspirator Mitsui & Co., Ltd.  
9 (“Mitsui”) at one of the bilateral meetings. Mitsui served as an agent of, and under the direction  
10 of, Epson Japan and Epson America. Epson Japan and Epson America, through their agent, were  
11 parties to the agreements made at those meetings and acted as co-conspirators. In addition, to the  
12 extent Epson America distributed LCD Panels or LCD Products to direct purchasers, it played a  
13 significant role in the conspiracy because defendants wished to ensure that the prices for such  
14 products paid by direct purchasers did not undercut the pricing agreements reached at these  
15 various meetings. Epson America was an active, knowing participant in the alleged conspiracy,  
16 and acted as Epson Japan’s agent for selling LCD Products in the United States.

17       111. Co-conspirator Hydis Technologies Co. Ltd. (“Hydis”) participated in multiple  
18 lower level meetings between at least 2002 and 2005. In addition, Hydis had a bilateral meeting  
19 with a Taiwanese defendant at least as recently as 2005. Through these discussions, Hydis agreed  
20 on prices and supply levels for LCD Panels.

21       112. Co-conspirator Mitsubishi Electric Corporation (“Mitsubishi”) participated in  
22 multiple lower level meetings in 2001 with Chi Mei, Chunghwa, Samsung, and Unipac  
23 Electronics (later AU Optronics). Through these meetings, Mitsubishi agreed on prices and  
24 supply levels for LCD Panels.

25       113. Co-conspirator Mitsui had at least one bilateral meeting, which included a  
26 discussion about customers and future pricing, with a Taiwanese defendant in 2001. Mitsui was  
27 acting as an agent for co-conspirator Epson Japan in this discussion. Mitsui and Epson Japan  
28 agreed on prices and supply levels for LCD Panels.

1           114. Co-conspirator NEC LCD Technologies, Ltd. (“NEC”) participated in meetings  
2 or discussions during the Conspiracy Period with at least one other defendant or co-conspirator,  
3 which included discussions about prices for LCD Panels.

4           115. Co-conspirator IPS Alpha Technology, Ltd. (“IPS Alpha”) is a joint venture  
5 among Hitachi Displays, Ltd., Toshiba Corporation, and Panasonic Corporation (“Panasonic”),  
6 and one or more of the partners in this joint venture participated in the meetings described above.  
7 As a result, IPS Alpha was represented at those meetings and was a party to the agreements  
8 entered into by its joint venture partners at these meetings. As explained above, the agreements  
9 at these meetings included agreements on price ranges and output restrictions. The joint venture  
10 partners had substantial control over IPS Alpha’s production levels and the prices of LCD Panels  
11 the joint ventures sold both to the joint venture partners and other non-affiliated companies.  
12 Thus, IPS Alpha and Panasonic were active, knowing participants in the alleged conspiracy.

13           116. When Motorola refers to a corporate family or companies by a single name in its  
14 allegations of participation in the conspiracy, it is to be understood that Motorola is alleging that  
15 one or more employees or agents of entities within the corporate family engaged in conspiratorial  
16 meetings on behalf of every company in that family. In fact, the individual participants in the  
17 conspiratorial meetings and discussions did not always know the corporate affiliation of their  
18 counterparts, nor did they distinguish between the entities within a corporate family. The  
19 individual participants entered into agreements on behalf of, and reported these meetings and  
20 discussions to, their respective corporate families. As a result, the entire corporate family was  
21 represented in meetings and discussions by their agents and were parties to the agreements  
22 reached in them.

### 23                   **3. Market Conditions Demonstrating the Conspiracy**

24           117. Since at least 1996, the LCD Panel market has not behaved as would be expected  
25 of a competitive market free of collusion. Rather, the behavior in this market strongly evidences  
26 that defendants engaged in a significant price-fixing conspiracy that had the purpose and effect  
27 of unnaturally stabilizing and raising prices for LCD Panels at supra-competitive levels.  
28

1           118. After initially being introduced into a market, consumer electronics products and  
2 their component parts typically are characterized by steady downward pricing trends. However,  
3 since at least 1996, the LCD Panel market has been characterized by unnatural price stability and  
4 certain periods of substantial upward pricing trends.

5           119. Moreover, since at least 1996, the LCD Panel market has not followed the basic  
6 laws of supply and demand in a competitive market. In a competitive market, price increases  
7 normally occur during shortage periods. Since at least 1996, however, there have been  
8 significant price increases in the LCD Panel market during periods of both oversupply and  
9 shortage.

10           120. The demand for consumer electronic products and their component parts  
11 generally increases over time. As would be expected, demand for LCD Panels and LCD  
12 Products were steadily and substantially increasing throughout the Conspiracy Period. For  
13 example, a November 2005 forecast indicated that shipments of LCD Panels for mobile wireless  
14 handsets would grow 66% from 2004 through 2005, due to increased demand for mobile  
15 wireless handsets.

16           121. Rather than competing for this increased demand, however, since at least 1996,  
17 defendants worked together to stabilize prices by agreeing to fix prices at artificially high levels  
18 and to restrict the supply of LCD Panels through, among other things, decreasing their capacity  
19 utilization and refraining from expanding existing capacity. Those defendants not already  
20 manufacturing LCD Panels in 1996 joined this conspiracy when they began manufacturing LCD  
21 Panels.

22           122. In 1996, the LCD Panel market was experiencing excess supply and drastic price  
23 cuts. Prices had already fallen 40 to 50 percent in 1995, and were projected to continue dropping  
24 due to lower manufacturing costs. However, LCD Panel prices began rising in 1996, allegedly  
25 due to insufficient production capacity. In fact, defendants were fixing the prices.

26           123. LCD Panel prices began to increase in early 1996. Defendants blamed the sudden  
27 increase in prices on an alleged inability to supply enough LCD Panels to meet demand. By May  
28 1996, an industry magazine was reporting that, “[f]lat-panel-display purchasers are riding a roller

1 coaster of pricing in the display market, with no clear predictability anytime soon . . . .  
2 Perplexed purchasers trying to keep up with the gyrating market can take solace that even  
3 vendors are constantly being surprised by the sudden twists and turns.”

4 124. Soon thereafter, industry analysts began commenting on the unusual rise in LCD  
5 Panel prices, noting that this rise in prices was “quite rare in the electronics industry.”

6 125. 1996 also brought the advent of third generation fabs. Since 1996, additional  
7 generations of fabs have been built, which has resulted in at least eight generations of LCD Panel  
8 fabs. LG Electronics was scheduled to have its third generation fab online by 1997, and Hyundai  
9 was scheduled to do so by early 1998. Each new LCD Panel generation was produced from ever  
10 larger pieces of glass, so as to reduce the cost of the screens used in televisions, computer  
11 monitors, and laptops. Ever-increasing production capacity threatened to outstrip demand for  
12 LCD Panels, with the result that prices of LCD Panels should have decreased rapidly. Instead,  
13 defendants falsely claimed to be operating at full capacity and unable to meet demand, despite  
14 the millions of units of over-capacity that had supposedly existed months earlier, and prices  
15 surged upwards. These price increases were also inconsistent with the fact that production had  
16 become more efficient and cost effective.

17 126. The supra-competitive level price of LCD Panels during the Conspiracy Period is  
18 demonstrated by, *inter alia*, the fact that costs were decreasing. One of the most significant costs  
19 in producing an LCD Panel is the cost of its component parts. Some of the major component  
20 parts for an LCD Panel include the backlight, color filter, PCB polarizer, and glass. During the  
21 Conspiracy Period, the costs of these components collectively and individually had been  
22 generally declining, and in some periods at a substantial rate. Thus, the gap between LCD Panel  
23 manufacturers’ prices and their costs was unusually high during the Conspiracy Period.

24 127. During the end of 2001 and 2002, LCD Panel prices increased substantially while  
25 the costs to produce these panels remained flat or decreased. Similarly, during the end of 2003  
26 to 2004, LCD Panel prices again increased by a substantial amount, while costs remained flat or  
27 decreased. This economic aberration is the intended and necessary result of defendants’  
28 conspiracy to raise, fix, maintain, or stabilize the prices of LCD Panels.

1           128. LCD Panel prices increased by more than 5% in October 2001. These price  
2 increases continued until June of 2002.

3           129. At the time, defendants blamed these price increases on supply shortages. In fact,  
4 these price increases were a direct result of defendants' agreement to fix, maintain, and/or  
5 stabilize the prices of LCD Panels and defendants' false statements about supply shortages were  
6 designed to conceal their price-fixing agreement. When asked why prices had increased,  
7 defendants repeatedly asserted that increases in LCD prices were due to increased demand and a  
8 "supply shortage."

9           130. These price increases occurred as production costs declined due to lower prices  
10 for parts and components as well as improvements in manufacturing efficiency. These  
11 decreasing costs should have led to lower prices and competition among defendants. Instead,  
12 because defendants had entered into an agreement to fix, raise, and maintain the prices for LCD  
13 Panels at artificially high levels, it resulted in extremely high profits. For example, defendants  
14 AU Optronics Inc., Chi Mei Optoelectronics Corp., Chunghwa Picture Tubes Ltd., and HannStar  
15 Display Inc., posted higher pretax profits than expected in the first quarter of 2002. AU  
16 Optronics reported revenue of NT\$19.7 billion in the first quarter, with pretax profit reaching  
17 about NT\$2 billion. Chi Mei Optoelectronics reported pretax earnings of NT\$800 million on  
18 revenue of about NT\$8.8 billion at the same period.

19           131. This increase in prices and revenue was unprecedented. During the first six  
20 months of 2002, revenue for Taiwan's five major LCD Panel manufacturers (defendants AU  
21 Optronics, Chi Mei, Chunghwa Picture Tubes Ltd., HannStar Display Inc., and Quanta Display  
22 Inc., later purchased by AU Optronics) rose 184% from the same period in 2001.

#### 23                   **4. Conspiracy's Effect on U.S. Commerce**

24           132. The U.S. LCD market is enormous and was a major focus of and very important  
25 to the conspiracy. Measured by value, Defendants and others shipped more than 400 million  
26 LCD Panels, including those incorporated into LCD Products, into the United States during the  
27 Conspiracy Period for ultimate sale to U.S. consumers. During the Conspiracy Period, the value  
28 of LCD Panels imported into the United States was in excess of \$50 billion. Defendants shipped

1 millions of LCD Products worth billions of dollars into the United States each year during the  
2 Conspiracy Period. As a result, a substantial portion of defendants' revenues was derived from  
3 the U.S. market. Defendants spent hundreds of millions of dollars on advertising their products  
4 in the United States. Most, if not all, defendants had marketing, sales, and account management  
5 teams specifically designated to handle U.S. customer accounts and the U.S. market for LCD  
6 Panels and LCD Products.

7 133. Because of the importance of the U.S. market to defendants and their co-  
8 conspirators, LCD Panels and LCD Products intended for importation into and ultimate  
9 consumption in the United States were a focus of defendants' illegal conduct. The defendants  
10 knowingly and intentionally sent price-fixed LCD Panels and LCD Products into a stream of  
11 commerce that lead directly into the United States. Many LCD Panels were intended for  
12 incorporation into finished products specifically destined for sale and use in the United States.  
13 This conduct by defendants was meant to produce and did in fact produce a substantial effect in  
14 the United States in the form of artificially-inflated prices for LCD Panels and LCD Products.

15 134. During the Conspiracy Period, every defendant shipped LCD Panels directly into  
16 the United States.

17 135. When high-level executives based at defendants' Asian headquarters agreed on  
18 prices, they knew that their price-fixed LCD Panels would be incorporated into LCD Products  
19 sold in the United States. Moreover, because LCD Panels are – and were throughout the  
20 Conspiracy Period – the most expensive and significant component of LCD Products, defendants  
21 knew that price increases for LCD Panels would necessarily result in increased prices for LCD  
22 Products sold in the United States. Many defendants manufactured LCD Products and sold them  
23 in the United States. In fact, defendants routinely monitored the effect their price-fixing had on  
24 the prices of such LCD Products sold in the United States.

25 136. Defendants also monitored the prices for LCD Products sold in the United States,  
26 which they often referred to as “street prices,” because defendants were aware that the  
27 conspiracy would elevate those prices in addition to the prices of LCD Panels. In addition,  
28

1 defendants used LCD Product pricing in the United States as a benchmark for establishing,  
2 organizing, and tracking their price-fixing of LCD Panels.

3 137. Defendants have acknowledged that their commercial activities involving  
4 intentionally sending LCD Panels and LCD Products into the United States impacted American  
5 import trade and import commerce. In a series of complaints filed with the U.S. International  
6 Trade Commission over the past few years, defendants Samsung and Sharp have both alleged  
7 infringing conduct based on “[t]he importation into the United States, sale for importation into  
8 the United States, and/or sale after importation in the United States of . . . LCD devices” by the  
9 other (and by other entities on its behalf). *See In the Matter of Certain Liquid Crystal Display*  
10 *Devices and Products Containing the Same*, Investigation No. 337-TA-631, Complaint of  
11 Samsung Electronics Co., Ltd. (December 21, 2007) (Docket No. 2586); *In the Matter of Certain*  
12 *Liquid Crystal Display Modules, Products Containing Same, and Methods for Using the Same*,  
13 Investigation No. 337-TA-634, Complaint of Sharp Corporation (January 30, 2008) (Docket No.  
14 2594); *In the Matter of Certain Liquid Crystal Display Devices and Products Containing the*  
15 *Same*, Investigation No. 337-TA-699, Complaint of Samsung Electronics Co., Ltd. (December 1,  
16 2009) (Docket No. 2698).

17 138. Defendants who have entered guilty pleas in connection with the LCD conspiracy  
18 have acknowledged that their illegal activities impacted imports into the United States and had a  
19 substantial effect on American import trade and import commerce. Those defendants have  
20 expressly admitted that “[LCD Panels] affected by [their] conspiracy [were] sold by one or more  
21 of the conspirators to customers in [the Northern District of California].”

22 139. For the reasons set forth above, defendants’ illegal conduct involved import trade  
23 or import commerce into the United States.

24 140. In the alternative, all of the above facts also demonstrate that defendants’ illegal  
25 activities had a direct, substantial, and reasonably foreseeable effect on U.S. commerce.

26 **G. GOVERNMENT INVESTIGATIONS OF PRICE-FIXING**

27 141. In December 2006, authorities in Japan, South Korea, the European Union, and  
28 the United States revealed the existence of a comprehensive investigation into anti-competitive

1 activity among LCD Panel manufacturers. In a December 11, 2006, filing with the Securities  
2 and Exchange Commission, defendant LG Display disclosed that officials from the South Korea  
3 Fair Trade Commission and Japanese Fair Trade Commission had visited the company's Seoul  
4 and Tokyo offices and that the United States Department of Justice ("DOJ") had issued a  
5 subpoena to its San Jose office.

6 142. On December 12, 2006, news reports indicated that in addition to LG Display,  
7 defendants Samsung, Sharp and AU Optronics were also under investigation.

8 143. The DOJ acknowledged that it was "investigating the possibility of  
9 anticompetitive practices and is cooperating with foreign authorities."

10 144. These government investigations have the potential to result in hundreds of  
11 millions of dollars in fines. Min Chun Hong, an analyst at Goodmorning Shinhan Securities,  
12 stated that "if the companies [Samsung and LG Philips] were convicted, penalties could amount  
13 to about 200 billion won, or \$216 million, each."

14 145. At least one of the defendants has approached the Antitrust Division of the DOJ to  
15 enter into a leniency agreement with respect to defendants' conspiracy to fix prices of LCD  
16 Panels. In order to enter into a leniency agreement under the Corporate Leniency Policy of the  
17 DOJ, this defendant has reported defendants' price-fixing conspiracy to the DOJ and has  
18 confessed its own participation in defendants' price-fixing conspiracy.

19 146. On or about November 12, 2008, defendants LG Display, Sharp and Chunghwa  
20 agreed to plead guilty and pay a total of \$585 million in criminal fines for their roles in the  
21 conspiracy to fix prices in the sale of LCD Panels. On or about January 15, 2009, three current  
22 and former executives from Chunghwa: Chieng-Hon "Frank" Lin, Chih-Chun "C.C." Liu, and  
23 Hsueh-Lung "Brian" Lee, agreed to plead guilty to participating in the conspiracy from  
24 September 2001 to December 2006. Mr. Lin agreed to serve a 9-month prison sentence and pay  
25 a \$50,000 criminal fine; Mr. Liu agreed to serve a 7-month prison sentence and pay a \$30,000  
26 criminal fine; and Mr. Lee agreed to serve a 6-month prison sentence and pay a \$20,000 criminal  
27 fine. Also on or about January 15, 2009, Chang Suk "C.S." Chung, an executive from LG  
28 Display, agreed to plead guilty to participating in the conspiracy from September 2001 to June

1 2006. Mr. Chung agreed to serve a 7-month prison sentence and pay a \$25,000 criminal fine.  
2 On or about February 3, 2009, former LG executive Duk Mo Koo, and two former Chunghwa  
3 executives, Cheng Yuan Lin and Wen Jun Cheng were indicted for participating in the global  
4 LCD price fixing conspiracy. On or about April 27, 2009, a high level executive of LG Display,  
5 Bock Kwon, agreed to plead guilty to global LCD price fixing. On or about August 25, 2009,  
6 Epson Imaging Devices Corporation agreed to plead guilty and pay a \$26 million criminal fine  
7 for its role in the conspiracy to fix the price of LCD Panels. And on or about December 9, 2009,  
8 Chi Mei Optoelectronics Corporation agreed to plead guilty and pay a \$220 million criminal fine  
9 for its role in the conspiracy.

10 147. The DOJ Antitrust Division's investigation of the remaining defendants is  
11 ongoing and is expected to result in additional guilty pleas and criminal fines from the other  
12 defendants to this action.

#### 13 **H. PLAINTIFF'S INJURY**

14 148. Motorola has suffered injury as a result of defendants' conspiracy to raise, fix,  
15 stabilize, or maintain the price of LCD Panels at artificial levels.

16 149. Motorola has suffered a direct, substantial, and reasonably foreseeable injury as a  
17 result of defendants' and their co-conspirators' conspiracy to raise, fix, or maintain the price of  
18 LCD Panels at artificial levels. During the Conspiracy Period, defendants' and their co-  
19 conspirators' conspiracy artificially inflated the price of LCD Panels purchased by Motorola  
20 causing Motorola to pay higher prices for LCD Panels than it would have in the absence of the  
21 conspiracy. The conspiracy artificially inflated the prices of LCD Panels using TFT, CSTN, and  
22 MSTN technology in LCD Products, including mobile wireless handsets and two-way radios.

23 150. During the Conspiracy Period, defendants' and their co-conspirators' conspiracy  
24 also artificially inflated the price of LCD Panels ultimately incorporated into LCD Products  
25 purchased by Motorola causing Motorola to pay higher prices for such LCD Products than it  
26 would have in the absence of the conspiracy.

1           **I.       FRAUDULENT CONCEALMENT**

2           151.   Motorola did not discover and could not have discovered, through the exercise of  
3 reasonable diligence, the existence of the conspiracy alleged herein until after December 2006,  
4 after the investigations by the DOJ and other antitrust regulators became public, because  
5 defendants and their co-conspirators actively and fraudulently concealed the existence of their  
6 contract, combination or conspiracy. Because defendants' agreement, understanding and  
7 conspiracy were kept secret, the plaintiff was unaware of defendants' unlawful conduct alleged  
8 herein and did not know that it was paying artificially high prices for LCD Panels and the  
9 products in which they were used.

10          152.   The affirmative acts of defendants and their co-conspirators alleged herein,  
11 among others, including acts in furtherance of the conspiracy, were wrongfully concealed and  
12 carried out in a manner that precluded detection.

13          153.   By its very nature, the conspiracy was inherently self-concealing. As alleged  
14 above, defendants had secret discussions about price and output. Defendants agreed not to  
15 publicly discuss the existence or the nature of their agreement. In fact, the top executives who  
16 attended the CEO and Commercial Crystal Meetings agreed to stagger their arrivals and  
17 departures at such meetings to avoid being seen in public with each other and with the express  
18 purpose and effect of keeping them secret. Moreover, when the participants in those meetings  
19 became fearful that they might be subject to antitrust scrutiny, they agreed to meet one-on-one  
20 for the so-called Round Robin meetings.

21          154.   Moreover, defendants repeatedly gave pretextual justifications for the inflated  
22 prices of LCD Panels in furtherance of the conspiracy.

23          155.   There have been a variety of other purportedly market-based explanations for  
24 price increases. The first was supply and demand. In early 1999, Omid Milani, a marketing  
25 manager for NEC, stated that "demand by far is outstripping our supply capability" and predicted  
26 that "prices will continue to increase until a reasonable balance is achieved." Bock Kwon, Vice  
27 President of LG Philips' Sales Division, and Yoon-Woo Lee, President and CEO of Samsung's  
28

1 Semiconductor Division, also falsely reported in 1999 that price increases were due to “acute”  
2 shortages.

3 156. Another false rationale provided by defendants was undercapitalization. In 1999,  
4 Joel Pollack, a marketing manager for Sharp, stated:

5 Prices have dropped at a steady rate over the past couple of years  
6 to the point where it was difficult to continue the necessary level of  
capitalization. The [low prices] have starved the industry.

7 157. A third rationale for the steep price hikes of 1999 was offered by Yoon-Woo Lee,  
8 CEO of Samsung. He claimed that the demand for larger panels was reducing the industry’s  
9 capacity because each display used more square inches of motherglass substrate.

10 158. Increased demand was repeatedly cited by defendants throughout the Conspiracy  
11 Period. On February 4, 2001, Bruce Berkoff, Executive Vice-President at LG Philips was quoted  
12 in News.com as saying that price increases were due to shortages. He claimed, “demand grew so  
13 fast that the supply can’t keep up.” Koo Duk-Mo, an executive at LG Philips, similarly predicted  
14 in 1999 that prices would rise 10 to 15 percent due to increased demand for the holiday season.  
15 In 2005, Koo Duk-Mo of LG Philips stated “[w]e are seeing much stronger demand for large-  
16 size LCD televisions than expected, so LCD TV supply is likely to remain tight throughout the  
17 year.”

18 159. Hsu Jen-Ting, a Vice-President at Chi Mei, and Chen Shuen-Bin, president of AU  
19 Optronics, offered another rationale for the 2001 price hike in an interview for the Taiwan  
20 Economic News in October 2001. They blamed “component shortages due to the late expansion  
21 of 5th generation production lines and new demand from the replacement of traditional cathode  
22 ray tubes with LCD monitors.”

23 160. These explanations were all pretextual and each served to cover up the  
24 conspiracy. As a result of defendants’ fraudulent concealment of their conspiracy, the running of  
25 any statute of limitations has been tolled with respect to Plaintiff’s claims.  
26  
27  
28

1           **J.       VIOLATIONS ALLEGED**

2                   **First Claim for Relief: Violation of Sherman Act**

3           161.   Motorola incorporates and realleges, as though fully set forth herein, each and  
4 every allegation set forth in the preceding paragraphs of this Complaint.

5           162.   Beginning at a time presently unknown to Motorola, but at least as early as  
6 January 1, 1996 and continuing through at least December 11, 2006, the exact dates being  
7 unknown to Motorola, defendants and their co-conspirators entered into a continuing agreement,  
8 understanding, and conspiracy in restraint of trade to artificially raise, fix, maintain, and/or  
9 stabilize prices for LCD Panels in the United States, in violation of Section 1 of the Sherman  
10 Act, 15 U.S.C. §1.

11           163.   In formulating and carrying out the alleged agreement, understanding, and  
12 conspiracy, defendants and their co-conspirators did those things that they combined and  
13 conspired to do, including but not limited to the acts, practices, and course of conduct set forth  
14 above, and the following, among others:

- 15                   A. To fix, raise, maintain and stabilize the price of LCD Panels;  
16                   B. To allocate markets for LCD Panels among themselves;  
17                   C. To submit rigged bids for the award and performance of certain LCD Panels  
18                   contracts; and  
19                   D. To allocate among themselves the production of LCD Panels.

20           164.   The combination and conspiracy alleged herein has had the following effects,  
21 among others:

- 22                   A. Price competition in the sale of LCD Panels has been restrained, suppressed,  
23                   and/or eliminated in the United States;  
24                   B. Prices for LCD Panels sold by defendants, their co-conspirators, and others  
25                   have been fixed, raised, maintained and stabilized at artificially high, supra-  
26                   competitive levels throughout the United States; and  
27  
28

1 C. Those who purchased LCD Panels produced by defendants, their co-  
2 conspirators, and others have been deprived of the benefits of free and open  
3 competition.

4 165. Motorola has been injured in its business and property by paying more for LCD  
5 Panels purchased from defendants, their co-conspirators, and others than it would have paid and  
6 will pay in the absence of the combination and conspiracy.

7 166. Defendants' and their co-conspirators' conduct involved U.S. import trade or  
8 commerce and/or had a direct, substantial, and reasonably foreseeable effect on U.S. domestic  
9 and import trade or commerce that resulted in the injuries suffered by Motorola and gave rise to  
10 Motorola's antitrust claims. As a result, Motorola has suffered injury as a direct, proximate and  
11 reasonably foreseeable result of defendants' conspiracy to fix the price of LCD Panels. Motorola  
12 has been injured and will continue to be injured in its business and property by paying more for  
13 LCD Panels purchased from defendants, their co-conspirators, and others than it would have paid  
14 and will pay in the absence of the combination and conspiracy.

15 167. Because Motorola has suffered injury as a direct, proximate and foreseeable result  
16 of defendants' conspiracy to fix the price of LCD Panels, Motorola is entitled to damages under  
17 Section 4 of the Clayton Act, 15 U.S.C. § 15, for its purchases of LCD Panels produced by  
18 defendants, their co-conspirators, and others.

19 168. Because Motorola faces a serious risk of future injury, Motorola is entitled to an  
20 injunction under Section 16 of the Clayton Act, 15 U.S.C. § 26, against all defendants,  
21 preventing and restraining the violations alleged herein. Defendants all continue to manufacture  
22 LCD Panels, and the market for production and sale of LCD Panels remains highly concentrated  
23 and susceptible to collusion. Defendants continue to have the incentive to collude to increase  
24 LCD Panel prices or stabilize LCD Panel price declines, and defendants' conspiracy to fix the  
25 price of LCD Panels could be easily repeated and concealed from Motorola.

26 **Second Claim for Relief: Violation of Cartwright Act**

27 169. Motorola incorporates and realleges, as though fully set forth herein, each and  
28 every allegation set forth in the preceding paragraphs of this Complaint.

1           170. During the Conspiracy Period, Motorola conducted a substantial volume of  
2 business in California. Motorola sold mobile wireless handsets and other LCD Products to  
3 customers in California. As a result of its presence in California and the substantial business it  
4 conducts in California, Motorola is entitled to the protection of the laws of California.

5           171. In addition, defendants LG Display, Chunghwa and Sharp all admitted in their  
6 plea agreements that acts in furtherance of their conspiracy to fix the price of LCD Panels were  
7 carried out in California. Defendants AU Optronics, Chi Mei, Epson, LG Display, Samsung and  
8 Toshiba all maintained offices in California during the Conspiracy Period. Employees at  
9 defendants' locations in California participated in meetings and engaged in bilateral  
10 communications in California and intended and did carry out defendants' anticompetitive  
11 agreement to fix the price of LCD Panels. Defendants' conduct within California thus injured  
12 Motorola both in California and throughout the United States.

13           172. Beginning at a time presently unknown to Motorola, but at least as early as  
14 January 1, 1996, and continuing thereafter at least up to and including at least December 11,  
15 2006, defendants and their co-conspirators entered into and engaged in a continuing unlawful  
16 trust in restraint of the trade and commerce described above in violation of the Cartwright Act,  
17 California Business and Professional Code Section 16720. Defendants have each acted in  
18 violation of Section 16720 to fix, raise, stabilize and maintain prices of, and allocate markets for,  
19 LCD Panels at supra-competitive levels. Defendants' conduct substantially affected California  
20 commerce.

21           173. The aforesaid violations of Section 16720, California Business and Professions  
22 Code, consisted, without limitation, of a continuing unlawful trust and concert of action among  
23 defendants and their co-conspirators, the substantial terms of which were to fix, raise, maintain  
24 and stabilize the prices of, and to allocate markets for, LCD Panels.

25           174. For the purpose of forming and effectuating the unlawful trust, defendants and  
26 their co-conspirators have done those things which they combined and conspired to do, including  
27 but in no way limited to the acts, practices and course of conduct set forth above and the  
28 following:

- 1 A. to fix, raise, maintain and stabilize the price of LCD Panels;  
2 B. to allocate markets for LCD Panels amongst themselves;  
3 C. to submit rigged bids for the award and performance of certain LCD Panels  
4 contracts; and  
5 D. to allocate among themselves the production of LCD Panels.

6 175. The combination and conspiracy alleged herein has had, *inter alia*, the following  
7 effects:

- 8 A. price competition in the sale of LCD Panels has been restrained, suppressed  
9 and/or eliminated in the State of California;  
10 B. prices for LCD Panels sold by defendants, their co-conspirators, and others  
11 have been fixed, raised, maintained and stabilized at artificially high, non-  
12 competitive levels in the State of California; and  
13 C. those who purchased LCD Panels from defendants, their co-conspirators, and  
14 others have been deprived of the benefits of free and open competition.

15 176. As a result of the alleged conduct of defendants, Motorola paid supra-competitive,  
16 artificially inflated prices for LCD Panels and LCD Products they purchased during the  
17 Conspiracy Period.

18 177. As a direct and proximate result of defendants' conduct, Motorola has been  
19 injured in its business and property by paying more for LCD Products and LCD Panels  
20 purchased directly or indirectly from defendants, their co-conspirators and others than they  
21 would have paid in the absence of defendants' combination and conspiracy. As a result of  
22 defendants' violation of Section 16720 of the California Business and Professions Code,  
23 Motorola is entitled to treble damages and the costs of suit, including reasonable attorneys' fees,  
24 pursuant to Section 16750(a) of the California Business and Professions Code.

25 **Third Claim for Relief: Violation of Illinois Antitrust Act**

26 178. Motorola incorporates and realleges, as though fully set forth herein, each and  
27 every allegation set forth in the preceding paragraphs of this Complaint.

28

1           179. Motorola believes and asserts that all of its purchases of LCD Panels and Products  
2 are actionable pursuant to the federal and the California antitrust laws as alleged in the First and  
3 Second Claims For Relief. In the alternative, Motorola alleges this Third Claim for Relief under  
4 the Illinois Antitrust Act.

5           180. Throughout the Conspiracy Period, Motorola conducted a substantial volume of  
6 business in Illinois, including selling in Illinois mobile wireless handsets and other LCD  
7 Products that contained LCD Panels manufactured and sold by defendants and others. Motorola  
8 also maintained inventories of LCD Products in Illinois and maintained offices in Illinois. As a  
9 result of its presence in Illinois and the substantial business it conducts in Illinois, Motorola is  
10 entitled to the protection of the laws of Illinois.

11           181. Beginning at a time presently unknown to Motorola but at least as early as  
12 January 1, 1996, and continuing thereafter at least up to and including at least December 11,  
13 2006, defendants and their co-conspirators entered into and engaged in a continuing conspiracy  
14 for the unreasonable restraint of trade or commerce, in violation of the Illinois Antitrust Law.

15           182. The aforesaid violations of the Illinois Antitrust Law, consisted, without  
16 limitation, of a continuing unlawful conspiracy among defendants and their co-conspirators, the  
17 substantial terms of which were to fix, control and maintain the prices of, and to allocate markets  
18 for, LCD Panels.

19           183. For the purpose of forming and effectuating the unlawful conspiracy, the  
20 defendants and their co-conspirators have done those things which they combined and conspired  
21 to do, including but in no way limited to the acts, practices and course of conduct set forth above  
22 and the following:

- 23           A. to fix, raise, maintain and stabilize the price of LCD Panels;
- 24           B. to allocate markets for LCD Panels amongst themselves;
- 25           C. to submit rigged bids for the award and performance of certain LCD Panels  
26           contracts; and
- 27           D. to allocate among themselves the production of LCD Panels.

1           184.   The combination and conspiracy alleged herein has had, *inter alia*, the following  
2 effects:

- 3                   A. price competition in the sale of LCD Panels has been restrained, suppressed  
4                   and/or eliminated in the State of Illinois and throughout the United States;  
5                   B. prices for LCD Panels have been fixed, raised, maintained and stabilized at  
6                   artificially high, non-competitive levels in the State of Illinois and throughout  
7                   the United States; and  
8                   C. those who purchased LCD Panels have been deprived of the benefit of free  
9                   and open competition.

10           185.   As a direct and proximate result of defendants' conduct, Motorola has been  
11 injured in its business and property by paying more for LCD Panels and LCD Products than they  
12 would have paid in the absence of defendants' combination and conspiracy. As a result of  
13 defendants' violation of the Illinois Antitrust Law, Motorola is entitled to damages and the costs  
14 of suit, including reasonable attorneys' fees.

15                   **Fourth Claim for Relief: Violation of State Antitrust Laws**

16           186.   Motorola incorporates and realleges, as though fully set forth herein, each and  
17 every allegation set forth in the preceding paragraphs of this Complaint.

18           187.   Motorola believes and asserts that all of its purchases of LCD Panels and Products  
19 are actionable pursuant to the federal and the California antitrust laws as alleged in the First and  
20 Second Claims For Relief. In the alternative, Motorola alleges its Third Claim for Relief under  
21 the Illinois Antitrust Act. In the further alternative, Motorola alleges this Fourth Claim For  
22 Relief under the laws of Arizona, the District of Columbia, Hawaii, Iowa, Kansas, Michigan,  
23 Minnesota, Nebraska, Nevada, New Mexico, New York, North Carolina, Puerto Rico,  
24 Tennessee, and Wisconsin, as well as under the California Unfair Competition Law.

25           188.   By reason of the foregoing, defendants have entered into agreements in restraint  
26 of trade in violation of Arizona Revised Stat. §§44-1401 *et seq*:

- 27                   A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
28                   in the sale of LCD Panels in Arizona and fixed, raised, maintained and

1 stabilized LCD Panel prices in Arizona at artificially high, non-competitive  
2 levels;

3 B. As a result, defendants' conspiracy substantially affected Arizona commerce;

4 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
5 business in Arizona. Motorola sold LCD Products to customers in Arizona.  
6 As a result of its presence in Arizona and the substantial business it conducts  
7 in Arizona, Motorola is entitled to the protection of the laws of Arizona; and,

8 D. As a direct and proximate result of defendants' conduct, Motorola has been  
9 injured in its business and property by paying more for LCD Products and  
10 LCD Panels purchased from the defendants, their co-conspirators and others  
11 than it would have paid in the absence of defendants' combination and  
12 conspiracy, and is entitled to relief under Ariz. Rev. Stat. §§ 44-1401, *et seq.*

13 189. By reason of the foregoing, defendants have entered into agreements in restraint  
14 of trade in violation of District of Columbia Code Ann. §§28-4501 *et seq.*

15 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
16 in the sale of LCD Panels in the District of Columbia and fixed, raised,  
17 maintained and stabilized LCD Panel prices in the District of Columbia at  
18 artificially high, non-competitive levels;

19 B. As a result, defendants' conspiracy substantially affected District of Columbia  
20 commerce;

21 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
22 business in the District of Columbia. Motorola sold LCD Products to  
23 customers in the District of Columbia. As a result of its presence in the  
24 District of Columbia and the substantial business it conducts in the District of  
25 Columbia, Motorola is entitled to the protection of the laws of the District of  
26 Columbia; and,

27 D. As a direct and proximate result of defendants' conduct, Motorola has been  
28 injured in its business and property by paying more for LCD Products and

1 LCD Panels purchased from the defendants, their co-conspirators and others  
2 than it would have paid in the absence of defendants' combination and  
3 conspiracy, and is entitled to relief under District of Columbia Code Ann. §§  
4 28-4501, *et seq.*

5 190. By reason of the foregoing, defendants have engaged in unfair competition and/or  
6 unfair or deceptive acts or practices in restraint of trade in violation of Hawaii Code, H.R.S. §§  
7 480-1, *et seq.*

- 8 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
9 in the sale of LCD Panels in Hawaii and fixed, raised, maintained and  
10 stabilized LCD Panel prices in Hawaii at artificially high, non-competitive  
11 levels;
- 12 B. As a result, defendants' conspiracy substantially affected Hawaii commerce;
- 13 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
14 business in Hawaii. Motorola sold LCD Products to customers in Hawaii. As  
15 a result of its presence in Hawaii and the substantial business it conducts in  
16 Hawaii, Motorola is entitled to the protection of the laws of Hawaii; and,
- 17 D. As a direct and proximate result of defendants' conduct, Motorola has been  
18 injured in its business and property by paying more for LCD Products and  
19 LCD Panels purchased from the defendants, their co-conspirators and others  
20 than it would have paid in the absence of defendants' combination and  
21 conspiracy, and is entitled to relief under Hawaii Code, H.R.S. §§ 480-1, *et*  
22 *seq.*

23 191. By reason of the foregoing, defendants have entered into agreements in restraint  
24 of trade in violation of Iowa Code §§ 553.1 *et seq.*

- 25 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
26 in the sale of LCD Panels in Iowa and fixed, raised, maintained and stabilized  
27 LCD Panel prices in Iowa at artificially high, non-competitive levels;
- 28 B. As a result, defendants' conspiracy substantially affected Iowa commerce;

- 1 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
2 business in Iowa. Motorola sold LCD Products to customers in Iowa. As a  
3 result of its presence in Iowa and the substantial business it conducts in Iowa,  
4 Motorola is entitled to the protection of the laws of Iowa;
- 5 D. As a direct and proximate result of defendants' conduct, Motorola has been  
6 injured in its business and property by paying more for LCD Products and  
7 LCD Panels purchased from the defendants, their co-conspirators and others  
8 than it would have paid in the absence of defendants' combination and  
9 conspiracy, and is entitled to relief under Iowa Code §§ 553.1 *et seq.*

10 192. By reason of the foregoing, defendants have entered into agreements in restraint  
11 of trade in violation of Kansas Stat. Ann. §§ 50-101 *et seq.*

- 12 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
13 in the sale of LCD Panels in Kansas and fixed, raised, maintained and  
14 stabilized LCD Panel prices in Kansas at artificially high, non-competitive  
15 levels;
- 16 B. As a result, defendants' conspiracy substantially affected Kansas commerce;
- 17 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
18 business in Kansas. Motorola sold LCD Products to customers in Kansas. As  
19 a result of its presence in Kansas and the substantial business it conducts in  
20 Kansas, Motorola is entitled to the protection of the laws of Kansas; and,
- 21 D. As a direct and proximate result of defendants' conduct, Motorola has been  
22 injured in its business and property by paying more for LCD Products and  
23 LCD Panels purchased from the defendants, their co-conspirators and others  
24 than it would have paid in the absence of defendants' combination and  
25 conspiracy, and is entitled to relief under Kansas Stat. Ann. §§ 50-101 *et seq.*

26 193. By reason of the foregoing, defendants have entered into agreements in restraint  
27 of trade in violation of Michigan Comp. Laws. Ann. §§ 445.771 *et seq.*

28

- 1 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
2 in the sale of LCD Panels in Michigan and fixed, raised, maintained and  
3 stabilized LCD Panel prices in Michigan at artificially high, non-competitive  
4 levels;
- 5 B. As a result, defendants' conspiracy substantially affected Michigan  
6 commerce;
- 7 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
8 business in Michigan. Motorola sold LCD Products to customers in  
9 Michigan. As a result of its presence in Michigan and the substantial business  
10 it conducts in Michigan, Motorola is entitled to the protection of the laws of  
11 Michigan; and,
- 12 D. As a direct and proximate result of defendants' conduct, Motorola has been  
13 injured in its business and property by paying more for LCD Products and  
14 LCD Panels purchased from the defendants, their co-conspirators and others  
15 than it would have paid in the absence of defendants' combination and  
16 conspiracy, and is entitled to relief under Michigan Comp. Laws. Ann. §§  
17 445.771 *et seq.*

18 194. By reason of the foregoing, defendants have entered into agreements in restraint  
19 of trade in violation of Minnesota Stat. §§ 325D.50 *et seq.*

- 20 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
21 in the sale of LCD Panels in Minnesota and fixed, raised, maintained and  
22 stabilized LCD Panel prices in Minnesota at artificially high, non-competitive  
23 levels;
- 24 B. As a result, defendants' conspiracy substantially affected Minnesota  
25 commerce;
- 26 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
27 business in Minnesota. Motorola sold LCD Products to customers in  
28 Minnesota. As a result of its presence in Minnesota and the substantial

1 business it conducts in Minnesota, Motorola is entitled to the protection of the  
2 laws of Minnesota; and,

3 D. As a direct and proximate result of defendants' conduct, Motorola has been  
4 injured in its business and property by paying more for LCD Products and  
5 LCD Panels purchased from the defendants, their co-conspirators and others  
6 than it would have paid in the absence of defendants' combination and  
7 conspiracy, and is entitled to relief under Minnesota Stat. §§ 325D.50 *et seq.*

8 195. By reason of the foregoing, defendants have entered into agreements in restraint  
9 of trade in violation of Nebraska Rev. Stat. §§ 59-801 *et seq.*

10 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
11 in the sale of LCD Panels in Nebraska and fixed, raised, maintained and  
12 stabilized LCD Panel prices in Nebraska at artificially high, non-competitive  
13 levels;

14 B. As a result, defendants' conspiracy substantially affected Nebraska  
15 commerce;

16 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
17 business in Nebraska. Motorola sold LCD Products to customers in Nebraska.  
18 As a result of its presence in Nebraska and the substantial business it conducts  
19 in Nebraska, Motorola is entitled to the protection of the laws of Nebraska;  
20 and,

21 D. As a direct and proximate result of defendants' conduct, Motorola has been  
22 injured in its business and property by paying more for LCD Products and  
23 LCD Panels purchased from the defendants, their co-conspirators and others  
24 than it would have paid in the absence of defendants' combination and  
25 conspiracy, and is entitled to relief under Nebraska Stat. §§ 59-801 *et seq.*

26 196. By reason of the foregoing, defendants have entered into agreements in restraint  
27 of trade in violation of Nevada Rev. Stat. Ann. §§ 598A *et seq.*

- 1 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
2 in the sale of LCD Panels in Nevada and fixed, raised, maintained and  
3 stabilized LCD Panel prices in Nevada at artificially high, non-competitive  
4 levels;
- 5 B. As a result, defendants' conspiracy substantially affected Nevada commerce;
- 6 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
7 business in Nevada. Motorola sold LCD Products to customers in Nevada.  
8 As a result of its presence in Nevada and the substantial business it conducts  
9 in Nevada, Motorola is entitled to the protection of the laws of Nevada; and,
- 10 D. As a direct and proximate result of defendants' conduct, Motorola has been  
11 injured in its business and property by paying more for LCD Products and  
12 LCD Panels purchased from the defendants, their co-conspirators and others  
13 than it would have paid in the absence of defendants' combination and  
14 conspiracy, and is entitled to relief under Nevada Rev. Stat. Ann. §§ 598A *et*  
15 *seq.*

16 197. By reason of the foregoing, defendants have entered into agreements in restraint  
17 of trade in violation of New Mexico Stat. Ann. §§ 57-1-1 *et seq.*

- 18 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
19 in the sale of LCD Panels in New Mexico and fixed, raised, maintained and  
20 stabilized LCD Panel prices in New Mexico at artificially high, non-  
21 competitive levels;
- 22 B. As a result, defendants' conspiracy substantially affected New Mexico  
23 commerce;
- 24 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
25 business in New Mexico. Motorola sold LCD Products to customers in New  
26 Mexico. As a result of its presence in New Mexico and the substantial  
27 business it conducts in New Mexico, Motorola is entitled to the protection of  
28 the laws of New Mexico; and,

1 D. As a direct and proximate result of defendants' conduct, Motorola has been  
2 injured in its business and property by paying more for LCD Products and  
3 LCD Panels purchased from the defendants, their co-conspirators and others  
4 than it would have paid in the absence of defendants' combination and  
5 conspiracy, and is entitled to relief under New Mexico Stat. Ann. §§ 57-1-1 *et*  
6 *seq.*

7 198. By reason of the foregoing, defendants have entered into agreements in restraint  
8 of trade in violation of New York General Business Law §§ 340 *et seq.*

9 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
10 in the sale of LCD Panels in New York and fixed, raised, maintained and  
11 stabilized LCD Panel prices in New York at artificially high, non-competitive  
12 levels;

13 B. As a result, defendants' conspiracy substantially affected New York  
14 commerce;

15 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
16 business in New York. Motorola sold LCD Products to customers in New  
17 York. As a result of its presence in New York and the substantial business it  
18 conducts in New York, Motorola is entitled to the protection of the laws of  
19 New York; and,

20 D. As a direct and proximate result of defendants' conduct, Motorola has been  
21 injured in its business and property by paying more for LCD Products and  
22 LCD Panels purchased from the defendants, their co-conspirators and others  
23 than it would have paid in the absence of defendants' combination and  
24 conspiracy, and is entitled to relief under New York General Business Law §§  
25 340 *et seq.*

26 199. By reason of the foregoing, defendants have entered into agreements in restraint  
27 of trade in violation of North Carolina Gen. Stat. §§ 75-1 *et seq.*

- 1 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
2 in the sale of LCD Panels in North Carolina and fixed, raised, maintained and  
3 stabilized LCD Panel prices in North Carolina at artificially high, non-  
4 competitive levels;
- 5 B. As a result, Defendants' conspiracy substantially affected North Carolina  
6 commerce;
- 7 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
8 business in North Carolina. Motorola sold LCD Products to customers in  
9 North Carolina. As a result of its presence in North Carolina and the  
10 substantial business it conducts in North Carolina, Motorola is entitled to the  
11 protection of the laws of North Carolina; and,
- 12 D. As a direct and proximate result of defendants' conduct, Motorola has been  
13 injured in its business and property by paying more for LCD Products and  
14 LCD Panels purchased from the defendants, their co-conspirators and others  
15 than it would have paid in the absence of defendants' combination and  
16 conspiracy, and is entitled to relief under North Carolina Gen. Stat. §§ 75-1 *et*  
17 *seq.*

18 200. By reason of the foregoing, defendants have entered into agreements in restraint  
19 of trade in violation of the Puerto Rico Code 10 LPRA §§ 257, *et seq.*, and 31 LPRA §§ 5141, *et*  
20 *seq.*

- 21 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
22 in the sale of LCD Panels in Puerto Rico and fixed, raised, maintained and  
23 stabilized LCD Panel prices in Puerto Rico at artificially high, non-  
24 competitive levels;
- 25 B. As a result, defendants' conspiracy substantially affected Puerto Rico  
26 commerce;
- 27 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
28 business in Puerto Rico. Motorola sold LCD Products to customers in Puerto

1 Rico. As a result of its presence in Puerto Rico and the substantial business it  
2 conducts in Puerto Rico, Motorola is entitled to the protection of the laws of  
3 Puerto Rico; and,

4 D. As a direct and proximate result of defendants' conduct, Motorola has been  
5 injured in its business and property by paying more for LCD Products and  
6 LCD Panels purchased from the defendants, their co-conspirators and others  
7 than it would have paid in the absence of defendants' combination and  
8 conspiracy, and is entitled to relief under Puerto Rico Code 10 LPRA §§ 257,  
9 *et seq.* and 31 LPRA §§ 5141, *et seq.*

10 201. By reason of the foregoing, defendants have entered into agreements in restraint  
11 of trade in violation of Tennessee Code §§ 47-25-101 *et seq.*

12 A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
13 in the sale of LCD Panels in Tennessee and fixed, raised, maintained and  
14 stabilized LCD Panel prices in Tennessee at artificially high, non-competitive  
15 levels;

16 B. As a result, defendants' conspiracy substantially affected Tennessee  
17 commerce;

18 C. During the Conspiracy Period, Motorola conducted a substantial volume of  
19 business in Tennessee. Motorola sold LCD Products to customers in  
20 Tennessee. As a result of its presence in Tennessee and the substantial  
21 business it conducts in Tennessee, Motorola is entitled to the protection of the  
22 laws of Tennessee; and,

23 D. As a direct and proximate result of defendants' conduct, Motorola has been  
24 injured in its business and property by paying more for LCD Products and  
25 LCD Panels purchased from the defendants, their co-conspirators and others  
26 than it would have paid in the absence of defendants' combination and  
27 conspiracy, and is entitled to relief under Tennessee Code §§ 47-25-101 *et*  
28 *seq.*

1           202. By reason of the foregoing, defendants have entered into agreements in restraint  
2 of trade in violation of Wisconsin Stat. §§ 133.01 *et seq.*

3           A. Defendants' conspiracy restrained, suppressed and/or eliminated competition  
4 in the sale of LCD Panels in Wisconsin and fixed, raised, maintained and  
5 stabilized LCD Panel prices in Wisconsin at artificially high, non-competitive  
6 levels;

7           B. As a result, defendants' conspiracy substantially affected Wisconsin  
8 commerce;

9           C. During the Conspiracy Period, Motorola conducted a substantial volume of  
10 business in Wisconsin. Motorola sold LCD Products to customers in  
11 Wisconsin. As a result of its presence in Wisconsin and the substantial  
12 business it conducts in Wisconsin, Motorola is entitled to the protection of the  
13 laws of Wisconsin; and,

14          D. As a direct and proximate result of defendants' conduct, Motorola has been  
15 injured in its business and property by paying more for LCD Products and  
16 LCD Panels purchased from the defendants, their co-conspirators and others  
17 than it would have paid in the absence of defendants' combination and  
18 conspiracy, and is entitled to relief under Wisconsin Stat. §§ 133.01 *et seq.*

19          203. By reason of the foregoing, defendants have engaged in unfair competition in  
20 violation of California's Unfair Competition Law, California Business and Professional Code §  
21 17200 *et seq.*

22          A. Defendants committed acts of unfair competition, as defined by Section  
23 17200, *et seq.*, by engaging in a conspiracy to fix and stabilize the price of  
24 LCD Panels as described above;

25          B. The acts, omissions, misrepresentations, practices and non-disclosures of  
26 defendants, as described above, constitute a common, continuous and  
27 continuing course of conduct of unfair competition by means of unfair,  
28 unlawful and/or fraudulent business acts or practices with the meaning of

1 Section 17200, *et seq.*, including, but not limited to (1) violation of Section 1  
2 of the Sherman Act; (2) violation of the Cartwright Act;

3 C. Defendants acts, omissions, misrepresentations, practices and non-disclosures  
4 are unfair, unconscionable, unlawful and/or fraudulent independently of  
5 whether they constitute a violation of the Sherman Act or the Cartwright Act;

6 D. Defendants acts or practices are fraudulent or deceptive within the meaning of  
7 Section 17200, *et seq.*;

8 E. Defendants' conduct was carried out, effectuated, and perfected within the  
9 state of California. Defendants LG Display, Chunghwa and Sharp all  
10 admitted that acts in furtherance of the conspiracy to fix the price of LCD  
11 Panels were carried out in California;

12 F. During the Conspiracy Period, Motorola conducted a substantial volume of  
13 business in California. Motorola sold LCD Products to customers in  
14 California. As a result of its presence in California and the substantial  
15 business it conducts in California, Motorola is entitled to the protection of the  
16 laws of California; and,

17 G. By reason of the foregoing, Motorola is entitled to full restitution and/or  
18 disgorgement of all revenues, earnings, profits, compensation, and benefits  
19 that may have been obtained by defendants as result of such business acts and  
20 practices described above.

21 **K. PRAYER FOR RELIEF**

22 WHEREFORE, Motorola requests:

23 A. That the unlawful agreement, conduct, contract, conspiracy or combination  
24 alleged herein be adjudged and decreed to be:

25 i. A restraint of trade or commerce in violation of Section 1 of the  
26 Sherman Act, as alleged in the First Claim for Relief; and

27 ii. An unreasonable restraint of trade or commerce in violation of the  
28 Cartwright Act, as alleged in the Second Claim for relief; and

- 1                   iii.     In the alternative, an unreasonable restraint of trade or commerce  
2                             in violation of the Illinois Antitrust Act, as alleged in the Third  
3                             Claim for relief; and
- 4                   iv.     In the alternative, an unlawful combination, trust, agreement,  
5                             understanding, and/or concert of action in violation of the state  
6                             antitrust and unfair competition laws of Arizona, the District of  
7                             Columbia, Hawaii, Iowa, Kansas, Michigan, Minnesota, Nebraska,  
8                             Nevada, New Mexico, New York, North Carolina, Puerto Rico,  
9                             Tennessee, and Wisconsin, as well as the Unfair Competition Law  
10                            of California, as alleged in the Fourth Claim for relief.

11           B.     That Motorola recover damages, as provided by federal and state antitrust laws,  
12     and that a judgment be entered in favor of Motorola against defendants, jointly and severally, in  
13     an amount to be trebled in accordance with such laws;

14           C.     That Motorola obtain any penalties, punitive or exemplary damages, and/or full  
15     consideration, where the laws of the respective states identified herein so permit;

16           D.     That Motorola recover damages and/or all other available monetary and equitable  
17     remedies under the state unfair competition laws identified above;

18           E.     That defendants, their affiliates, successors, transferees, assignees, and the  
19     officers, directors, partners, agents, and employees thereof, and all other persons acting or  
20     claiming to act on their behalf, be permanently enjoined and restrained from in any manner  
21     continuing, maintaining, or renewing the conduct, contract, conspiracy or combination alleged  
22     herein, or from entering into any other conspiracy or combination having a similar purpose or  
23     effect, and from adopting or following any practice, plan, program, or device having a similar  
24     purpose or effect;

25           F.     That Motorola be awarded pre- and post-judgment interest, and that such interest  
26     be awarded at the highest legal rate from and after the date of service of the initial complaint in  
27     this action;

28

1 G. That Motorola recover its costs and disbursements of this suit, including  
2 reasonable attorneys' fees as provided by law; and,

3 H. That Motorola be awarded such other, further, and different relief as the case may  
4 require and the Court may deem just and proper under the circumstances.

5 **JURY TRIAL DEMAND**

6 Pursuant to Federal Rules of Civil Procedure Rule 38(b), Motorola demands a trial by  
7 jury for all issues so triable.

8  
9 Dated: January 29, 2010

Respectfully submitted,

10 /s/ Jason C. Murray

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